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FINAL
CITY COUNCIL
CITY OF WICHITA
KANSAS

City Council Meeting
09:00 a.m. April 12, 2011

City Council Chambers
455 North Main

OPENING OF REGULAR MEETING

- Call to Order
- Invocation
- Pledge of Allegiance
- Approve the minutes of the regular meeting on April 5, 2011
- Approval of Consent Agendas:
 - V. Planning (Items 1 through 4)
 - IX. Airport (Item 1)
 - XII. Consent (Items 1 through 9A)
- Presentation to outgoing Council Members Paul Gray, Sue Schlapp, and Roger Smith
- Comments from Mayor and Council Members
- Video Tribute
- Presentation by Mayor Brewer
- **RECESS**

-- **RECONVENE**

1. Call to Order
2. Introduction of new Council Members - Oath of Office administered by Judge Jennifer Jones
3. Comments from Mayor regarding Vice-Mayor Longwell's tenure as Vice Mayor
4. Ballot of Selection of Vice Mayor
5. Oath of Office for new Vice Mayor administered by Judge Jennifer Jones
6. Comments from new Vice Mayor
7. Comments from Council Members
8. Adjournment

COUNCIL BUSINESS SUBMITTED BY CITY AUTHORITIES

PLANNING AGENDA

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

V. CONSENT PLANNING AGENDA (ITEMS 1 THROUGH 4)

1. *ZON2011-00003 – City zone change from LI Limited Industrial to SF-5 Single-family Residential; generally located midway between Hoover Road and West Street, on the north side of MacArthur Road. (District IV)

RECOMMENDED ACTION: Adopt the findings of the MAPC and approve the zone change and authorize the Mayor to sign the ordinance and place the ordinance on first reading (simple majority required).

2. *ZON2011-00004 – City zone change from SF-5 Single-Family Residential to LC Limited Commercial; generally located east of Mid-Continent/Ridge Road between University and Taft Avenues. (District V)

RECOMMENDED ACTION: Adopt the findings of the MAPC and approve the zone change subject to the provisions of Protective Overlay #251, authorize the Mayor to sign the ordinance and place the ordinance on first reading (simple majority required).

3. *VAC2010-00043 - Request to vacate a platted sewer easement; generally located on the northwest corner of Arkansas Avenue and 25th Street North. (District VI)

RECOMMENDED ACTION: Approve the Vacation Order and authorize the necessary signatures.

4. *VAC2011-00002 - Request to vacate a portion of a platted setback; generally located midway between 13th and 21st Streets North, west of Ridge Road. (District V)

RECOMMENDED ACTION: Approve the Vacation Order and authorize the necessary signatures.

HOUSING AGENDA

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

Fern Griffith, Housing Member is also seated with the City Council.

VII. CONSENT HOUSING AGENDA

None

AIRPORT AGENDA

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

IX. CONSENT AIRPORT AGENDA

1. *Fugate Aviation, Inc. - 1410 Airport Road and 1420 Airport Road - Lease Agreement and Approval for Design-Build Method - Wichita Mid-Continent Airport.

RECOMMENDED ACTION: Approve the Agreement and authorize the necessary signatures, and also approve the use of the Design-Build method for public infrastructure.

COUNCIL AGENDA

X. COUNCIL MEMBER AGENDA

None

XI. COUNCIL MEMBER APPOINTMENTS

1. Board Appointments.

RECOMMENDED ACTION: Approve the Appointments.

XII. CONSENT AGENDA (ITEMS 1 THROUGH 10A)

1. Report of Board of Bids and Contracts dated April 11, 2011.

RECOMMENDED ACTION: Receive and file report; approve Contracts; authorize necessary signatures.

2. Applications for Licenses to Retail Cereal Malt Beverages:

<u>Renewal</u>	<u>2011</u>	<u>(Consumption off Premises)</u>
Drung Banh	KC Gas and Groceries #3	1955 South Washington
Cari Spainhour	Quik Trip #327, Inc.	12825 East 21st Street North
Ly Ngoc Thi Nguyen	Thai Binh Supermarket	1530 West 21st Street
Chandara Perera	Foodmart 205	7101 East Lincoln
<u>Renewal</u>	<u>2011</u>	<u>(Consumption on Premises)</u>
Miguel Reyes	Rosteria Los Reyes*	512 West 21st Street North

* General/Restaurant 50% or more gross revenue from sale of food.

RECOMMENDED ACTION: Approve licenses subject to Staff review and approval.

3. Preliminary Estimates:

- a. Preliminary Estimates. (See Attached)

RECOMMENDED ACTION: Receive and file.

4. Agreements/Contracts:

- a. Encroachment Agreement with ConocoPhillips and Quest Pipe Line Companies. (District VI)

RECOMMENDED ACTION: Approve Agreements/Contracts; authorize the necessary signatures.

5. Design Services Agreement:

- a. Supplemental Design Agreement No. 4 for a Multi-Use Path along Central, Waco to 1st Street. (District VI)

RECOMMENDED ACTION: Approve Agreements/Contracts; authorize the necessary signatures.

6. Minutes of Advisory Boards/Commissions

Board of Appeals of Plumbers and Gas Fitters, February 2, 2011
Board of Appeals of Plumbers and Gas Fitters, February 24, 2011
Transit Advisory Board, March 11, 2011
Police and Fire Retirement, February 23, 2011

RECOMMENDED ACTION: Receive and file.

7. Approval of Offers for the Pawnee and Broadway Intersection Improvement Project. (District III)

RECOMMENDED ACTION: Approve the offers and authorize the necessary signatures.

8. Approval of Offers for the Harry and Broadway Intersection Improvement Project. (Districts I and III)

RECOMMENDED ACTION: Approve the offers and authorize the necessary signatures.

9. Payment for Settlement Lawsuit.

RECOMMENDED ACTION: Approve the settlement.

9a. *Memorandum of Understanding with the Department of Commerce.*

RECOMMENDED ACTION: Approve the temporary tenancy for this limited area within City Hall to assist a State Agency, and authorize the necessary signatures to the Memorandum of Understanding.

10. Second Reading Ordinances: (First Read April 5, 2011)

- a. List of Second Reading Ordinances. (See Attached)

RECOMMENDED ACTION: Adopt the Ordinances.

Adjournment

City of Wichita
City Council Meeting
April 12, 2011

TO: Mayor and City Council

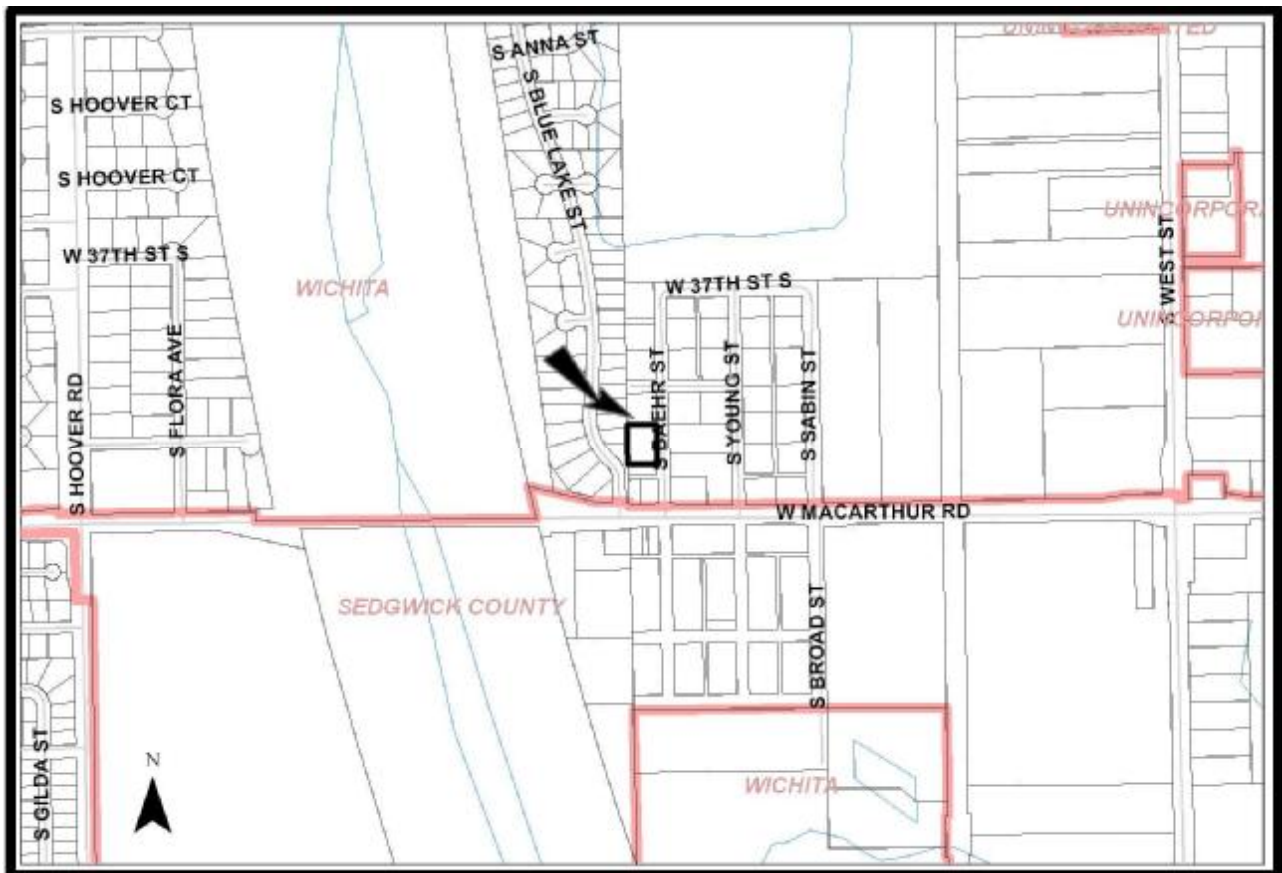
SUBJECT: ZON2011-00003 – City zone change from LI Limited Industrial to SF-5 Single-family Residential; generally located midway between Hoover Road and West Street, on the north side of MacArthur Road (District IV)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

MAPC Recommendation: Approve, vote (11-0).

MAPD Staff Recommendation: Approve.



Background: The applicant is requesting that the 0.70 acre site currently zoned LI Limited Industrial (“LI”) be rezoned to SF-5 Single Family Residential (“SF-5”). The site is east of the Wichita-Valley Center Floodway, on the north side of MacArthur Road, and is part of the Oatville Addition. The Mere Ridge Addition was recorded on March 30, 1885. The remainder of the Oatville Addition and the adjacent Diamond Addition to Oatville is currently zoned SF-5 or LI. The subject property is currently developed with a single-family residence.

In 2007, a citizen looking at possibly purchasing a property in this area alerted the Metropolitan Area Planning Commission (MAPC) that this residential area is currently zoned LI, which for most people, is a problem when trying to get a loan from a bank. Staff was then directed by the MAPC to look at rezoning the residential area to the most suitable residential zone district. Through the process of research and holding a public meeting for the citizens of the area, six of the approximately 30 property owners choose to have their property rezoned to SF-5.

The surrounding area consists of residential development, with industrial uses farther east along MacArthur Road, near its intersection with West Street. Property east of the subject site is zone LI and is developed with a single-family residence. The property west of the subject site is zoned SF-5 and is currently undeveloped. Property north of the subject site is zoned LI and is developed with a single-family residence. Property south of the subject site is zoned LI and is developed with a warehouse.

Analysis: At the MAPC meeting held March 10, 2011, the MAPC voted (11-0) to approve the request. No citizens were present to speak. No protests have been received.

Financial Considerations: There are no financial considerations in regards to the zoning request.

Goal Impact: To promote economic vitality.

Legal Considerations: The ordinance has been reviewed and approved as to form by the Law Department.

Recommendation/Actions:

1. Adopt the findings of the MAPC and approve the zone change and authorize the Mayor to sign the ordinance and place the ordinance on first reading (simple majority required).

Attachments:

- Ordinance
- MAPC Minutes

ORDINANCE NO. 48-989

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY
OF THE CITY OF WICHITA, KANSAS.

SECTION 1. That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

Case No. ZON2011-00003

Zone change request from LI Limited Industrial ("LI") to SF-5 Single-Family Residential ("SF-5") on properties described as:

Lots 4, 5, 6 and 7; Block 2, Oatville Addition, Wichita, Sedgwick County, Kansas; generally midway between S. Hoover Avenue and S. West Street, on the north side of W. MacArthur Road (3933 S. Baehr St.)

SECTION 2. That upon the taking effect of this Ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita-Sedgwick County Unified Zoning Code as amended.

SECTION 3. That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

ADOPTED this 19th day of April, 2011.

ATTEST:

Karen Sublett, City Clerk

Carl Brewer, Mayor

(SEAL)

Approved as to form:

Gary E. Rebenstorf, Director of Law

**EXCERPT MINUTES OF THE MARCH 10, 2011 WICHITA-SEDGWICK COUNTY
METROPOLITAN AREA PLANNING COMMISSION HEARING**

Case No.: ZON2011-03 - Troy Reisch (Owner) and Raymond and Virginia Winter (Applicant) request a City zone change from LI Limited Industrial to SF-5 Single-Family Residential on property described as:

Lots 4, 5, 6 and 7, Block 2, Oatville Addition, Wichita, Sedgwick County, Kansas.

BACKGROUND: The applicant is requesting that the 0.70 acre site currently zoned LI Limited Industrial (“LI”) be rezoned to SF-5 Single Family Residential (“SF-5”). The site east of the Wichita-Valley Center Floodway, on the north side of MacArthur, and is part of the Oatville Addition. The Oatville Addition was recorded on March 30, 1885. The remainder of the Oatville Addition and the adjacent Diamond Addition to Oatville is currently zoned SF-5 or LI. The subject property is currently developed with a single-family residence.

In 2007, a citizen looking at possibly purchasing property in this area alerted the MAPC that this residential area is currently zoned LI, which for most people, is a problem when trying to get a loan from a bank. Staff was then directed by the MAPC to look at rezoning the residential area to the most suitable residential zone district. Through the process of research and holding a public meeting for the citizens of the area, six of the approximately 30 property owners choose to have their property rezoned to SF-5.

The surrounding area consists of residential development, with industrial uses located farther east along MacArthur, near its intersection with South West Street. Property east of the subject site is zone LI, and is developed with a single-family residence. The property west of the subject site is zoned SF-5, and is currently undeveloped. Property north of the subject site is zoned LI and is developed with a single-family residence. Property south of the subject site is zoned LI, and is developed with a warehouse.

The zoning pattern in this area is predominately LI, but the area is also residential in use. With this rezoning and the previous rezoning of other properties in this neighborhood to SF-5, a conflict in zoning has occurred where LI zoning is abutting SF-5 zoning. The LI zoning in this area is developed with residential uses and are considered non-conforming. The existing LI zoned properties will not have to be brought up to code in regards to the compatibility standards and screening requirements, however; if the LI zoned lot(s) are developed in the future with industrial type uses, then the compatibility standards and screening requirements will need to be met for the industrial use.

CASE HISTORY: The Oatville area had been zoned “LI,” Limited Industrial by 1958. A 1948 zoning map does not include the Oatville area while the 1958 map does.

ADJACENT ZONING AND LAND USE:

NORTH:	LI	Single family residence
SOUTH:	LI	Warehouse
EAST:	LI	Single family residence
WEST:	SF-5	Vacant Residential Land

PUBLIC SERVICES: The subject site has frontage along South Baher Street, which intersects with West MacArthur located just 230-feet south of the subject site. MacArthur Road is a two-lane, paved minor arterial with a traffic count of approximately 15,000 Average Daily Trips (ADT's) at its intersection with South West Street, a half-mile east of the subject site. Municipal water and sewer services are currently provided to the subject site.

CONFORMANCE TO PLANS/POLICIES: The *2030 Wichita Functional Land Use Guide* depicts this site appropriate for "urban residential" uses. That designation reflects the overwhelming existing residential uses existing in the area today.

RECOMMENDATION: Based upon information available prior to the public hearings, planning staff recommends that the request be APPROVED.

This recommendation is based on the following findings:

1. **The zoning, uses and character of the neighborhood:** The surrounding area consists of residential development, with industrial uses farther east along MacArthur, near its intersection with South West Street. Property east of the subject site is zone LI and is developed with a single-family residence. The property west of the subject site is zoned SF-5 and is currently undeveloped. Property north of the subject site is zoned LI and is developed with a single-family residence. Property south of the subject site is zoned LI and is developed with a warehouse.
2. **The suitability of the subject property for the uses to which it has been restricted:** The site is zoned LI which permits a wide range of uses except residential uses. As best as staff can tell, the site has been zoned this way since 1958, and almost none of the property owners have chosen to convert their uses to legally conforming LI uses. Residential zoning would be more appropriate for the property since it is and has been used as a residential property for a long period of time.
3. **Extent to which removal of the restrictions will detrimentally affect nearby property:** Rezoning the property to SF-5 should not detrimentally affect nearby properties. However, it could potentially create conflict points if some of the industrially zoned lots actually convert to industrial uses. Conventional land use theory indicates it is not necessarily a desirable situation to intermix disparate zoning districts.
4. **Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies:** The *2030 Wichita Functional Land Use Guide* depicts this site appropriate for "urban residential" uses. That designation reflects the overwhelming existing residential uses existing in the area today.
5. **Impact of the proposed development on community facilities:** Approval of the request should not have a negative impact on community facilities; especially since all sewers, water lines and roads are in place.

DERRICK SLOCUM, Planning Staff presented the Staff Report.

MOTION: To approve subject to staff recommendation.

HENTZEN moved, **HILLMAN** seconded the motion, and it carried (11-0).

City of Wichita
City Council Meeting
April 12, 2011

TO: Mayor and City Council

SUBJECT: ZON2011-00004 – City zone change from SF-5 Single-Family Residential to LC Limited Commercial; generally located east of Mid-Continent/Ridge Road between University and Taft Avenues. (District V)

INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Consent)

MAPC Recommendation: Approve (11-0), subject to Protective Overlay #251.

MAPD Staff Recommendation: Approve, subject to Protective Overlay #251.



Background: The applicant requests a zone change from SF-5 Single-Family Residential (“SF-5”) to LC Limited Commercial (“LC”) on Lot 6, Block H, Westerlea Village Addition. The 0.54 acre site is located east of Mid-Continent Road/Ridge Road, between University and Taft Avenues. The applicant proposes to redevelop the site with unspecified commercial uses. The site is currently developed with a one-story single-family residences (built 1955), with access onto Ridge Road.

The site is the latest single-family residence to make application for rezoning from SF-5 to LC in the area from Maple Street, south towards Taft Avenue, between Mid-Continent Road/Ridge Road and Summitlawn Drive. The rezoning, replatting and redevelopment of what were originally single-family residences (all platted in the Westerlea Village Addition) into a line of commercial (restaurants) uses facing Mid-Continent Road/Ridge Road began in 1992 and continues to the present with this application.

The surrounding area is characterized by a mixture of single-family residences, commercial uses and developing commercial uses. The properties to the south and east/northeast (a large single-family neighborhood) are zoned SF-5 and are developed with single-family residences (mid 1950s to mid 1960s). Further south, across Taft Avenue, are the GC General Commercial (“GC,” with Community Unit Plan “CUP” DP-151) and LC (CUP DP-37) zoned large box retail, restaurants and a movie theater. The most immediate property located west of the site (across Ridge Road South) is zoned LC with a CUP overlay, DP-37. This parcel is developed as a single-story, brick, medical office (1984). DP-37 extends west across Mid-Continent Road from the site, anchored by the LC and GC zoned big box Lowes building supply center (1998), which faces the site. Properties located north of the site are zoned LC with Protective Overlays (PO) attached to them. These properties are developing as Freddy’s Frozen Custard and Panera Bread restaurants. Further north, across University Avenue, are the LC zoned Pizza Hut Bistro (2005) and Applebee’s (2009) restaurants, plus an undeveloped commercial site; all have POs with similar standards as those proposed for the subject site.

Although the site has been identified in the Comprehensive Plan as appropriate for “Local Commercial” uses, the close proximity (abutting south and east sides of the site) of the site to an established single-family neighborhood requires any commercial uses on the site to be developed so as to minimize any negative impact on the neighborhood. The site was originally platted as a single-family residential lot and is part of the remaining western edge of the neighborhood. The earlier rezoning (1992 to the present) of properties located north and northeast of the site, on both sides of University Avenue, required similar considerations as the subject site. To buffer the abutting and adjacent existing single-family residences from the unspecified commercial development on the site, planning staff recommends that a PO be approved that continues the development controls established during the prior approval of the zoning changes on the abutting and adjacent northern properties. The recommended PO: limits signage, lighting, noise and building height; requires a six to eight-foot high wooden fence and a landscape buffer along the south and east property lines. The PO also prohibits certain uses that are less compatible with the established residential development. If, in the future, the zoning of the residential properties to the south or east are changed to allow commercial uses, then the provisions of the PO could be amended.

Analysis: At the MAPC meeting held March 10, 2011, the MAPC voted (11-0) to approve the request, with the following provisions of Protective Overlay #251:

- A. No off-site or portable signs shall be permitted on the subject property. No signs shall be permitted along the face of any building or along any street frontage that faces or is across the street from any property that is in a residential zoning district. Signs will be a monument type of sign, as permitted by the sign code in the LC zoning district.
- B. Light poles shall be of the same color and design and shall have cut-off fixtures which direct light away from any abutting or adjacent properties that are in a residential zoning district. Light poles shall be limited to a maximum height, including the base of the light pole, of 25-feet. Light poles shall not be located within any setbacks. Lighting on buildings must be directed down, away from abutting and adjacent residential zoned properties
- C. Outdoor speakers and sound amplification systems shall not be permitted, with the exception of restaurant order boards.

- D. No buildings shall exceed one story in height with a maximum building height of 35 feet.
- E. A six to eight-foot high solid wooden fence shall be constructed parallel to the south and east property lines of the subject site, where it abuts existing single-family residences and SF-5 Single-family Residential zoning. Five years after the governing body approves the requested zoning, the wooden fence will be replaced with a six to eight-foot masonry wall, where the subject site abuts residential zoning. A 15-foot wide landscape buffer will be provided along the south and east sides of the subject site.
- F. Deliveries and trash service shall be between the hours of 6:00 a.m. and 10:00 p.m.
- G. The subject site shall comply with the compatibility setback standards on the interior side yard (south) and rear yards (east).
- H. All access onto public right-of-way, cross lot access, internal circulation, utility easements, drainage and the final size and configuration of the subject site shall be resolved, per the standards of the Subdivision Standards, as reviewed and recommended by Public Works, Strom Water, Water and sewer, Fire and Traffic; City staff and all franchised utilities. No building permits shall be issued until City staff has reviewed all necessary plans for water and sewer, grading, drainage, access and all utilities.
- I. The following uses shall not be permitted: adult entertainment establishment; group residence; correctional placement residence; group home; recycling collection station; reverse vending machine; car wash; convenience store; night club; recreation and entertainment; outdoor vehicle sales; service station; tavern and drinking establishment and vehicle repair.

No one spoke in opposition to this request at the MAPC's advertised public hearing. No written protests have been filed.

Financial Considerations: All improvements will be to City standards and at the applicant's expense.

Goal Impact: The application supports the City's goal to promote Economic Vitality

Legal Considerations: The ordinance has been reviewed and approved as to form by the Law Department.

Recommendation/Actions:

1. Adopt the findings of the MAPC and approve the zone change subject to the provisions of Protective Overlay #251, authorize the Mayor to sign the ordinance and place the ordinance on first reading (simple majority required).

Attachments:

- Ordinance
- MAPC Minutes

ORDINANCE NO. 48-990

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY
OF THE CITY OF WICHITA, KANSAS.

SECTION 1. That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

Case No. ZON2011-00004

Zone change from SF-5 Single-Family Residential (“SF-5”) to LC Limited Commercial (“LC”) on a 0.54-acre property described as:

Lot 6, Block H, Westerlea Village Addition; generally located east of Mid-Continent Road/Ridge Road, between University and Taft Avenues, Wichita, Sedgwick County, Kansas.

SUBJECT TO THE FOLLOWING PROVISIONS OF PROTECTIVE OVERLAY DISTRICT #251:

- A. No off-site or portable signs shall be permitted on the subject property. No signs shall be permitted along the face of any building or along any street frontage that faces or is across the street from any property that is in a residential zoning district. Signs will be a monument type of sign, as permitted by the sign code in the LC zoning district.
- B. Light poles shall be of the same color and design and shall have cut-off fixtures which direct light away from any abutting or adjacent properties that are in a residential zoning district. Light poles shall be limited to a maximum height, including the base of the light pole, of 25-feet. Light poles shall not be located within any setbacks. Lighting on buildings must be directed down, away from abutting and adjacent residential zoned properties
- C. Outdoor speakers and sound amplification systems shall not be permitted, with the exception of restaurant order boards.
- D. No buildings shall exceed one story in height with a maximum building height of 35 feet.
- E. A 6-8 foot high solid wooden fence shall be constructed parallel to the south and east property lines of the subject site, where it abuts existing single-family residences and SF-5 Single-family Residential zoning. Five years after the governing body approves the requested zoning, the wooden fence will be replaced with a 6-8 foot masonry wall, where the subject site abuts residential zoning. A 15-foot wide landscape buffer will be provided along the south and east sides of the subject site.
- F. Deliveries and trash service shall be between the hours of 6 AM and 10 PM
- G. The subject site shall comply with the compatibility setback standards on the interior side yard (south) and rear yards (east).
- H. All access onto public right-of-way, cross lot access, internal circulation, utility easements, drainage and the final size and configuration of the subject site shall be resolved, per the

standards of the Subdivision Standards, as reviewed and recommended by Public Works, Strom Water, Water and sewer, Fire and Traffic; City staff and all franchised utilities. No building permits shall be issued until City staff has reviewed all necessary plans for water and sewer, grading, drainage, access, and all utilities.

- I. The following uses shall not be permitted: adult entertainment establishment; group residence; correctional placement residence; group home; recycling collection station; reverse vending machine; car wash; convenience store; night club; recreation and entertainment; outdoor vehicle sales; service station; tavern and drinking establishment; and vehicle repair.

SECTION 2. That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

SECTION 3. That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

Carl Brewer - Mayor

ATTEST:

Karen Sublett, City Clerk

(SEAL)

Approved as to form: _____
Gary E. Rebenstorf, City Attorney

**EXCERPT MINUTES OF THE MARCH 10, 2011 WICHITA-SEDGWICK COUNTY
METROPOLITAN AREA PLANNING COMMISSION HEARING**

Case No.: ZON2011-04 – Milton H. Larsen Revocable Living Trust (Owner/Applicant) Baughman Company, PA, c/o Phil Meyer (Agent) request City zone change from SF-5 Single-Family to LC Limited Commercial.

Lot 6, Block A, Westerlea Village Addition to Wichita, Sedgwick County, Kansas.

BACKGROUND: The applicant requests a zone change from SF-5 Single-Family Residential (“SF-5”) to LC Limited Commercial (“LC”) on Lot 6, Block H, Westerlea Village Addition. The 0.54-acre site is located east of Mid-Continent Road/Ridge Road, between University and Taft Avenues. The applicant proposes to redevelop the site with unspecified commercial uses. The site is currently developed with a one-story single-family residence (built 1955), with access onto Ridge Road South.

The site is the latest single-family residence to make application for rezoning from SF-5 to LC, in the area from Maple Street, south towards Taft Avenue, between Mid-Continent Road/Ridge Road and Summit Lawn Drive. The rezoning, replatting and redevelopment of what were originally single-family residences (all platted in the Westerlea Village Addition) into a line of commercial (restaurants) uses facing Mid-Continent Road/Ridge Road began in 1992 and continues to the present with this application.

The surrounding area is characterized by a mixture of single-family residences, commercial uses and property developing for commercial uses. The properties to the south and east/northeast (large single-family neighborhood) are zoned SF-5 and are developed with single-family residences (mid 1950s – mid 1960s). Further south, across Taft Avenue, are the GC General Commercial (“GC,” with Community Unit Plan “CUP” DP-151) and LC (CUP DP-37) zoned large box retail, restaurants, and a movie theater. The most immediate property located west of the site (across Ridge Road South) is zoned LC with a CUP overlay, DP-37. This parcel is developed as a single-story, brick, medical office (1984). DP-37 extends west across Mid-Continent Road from the site, anchored by the LC & GC zoned big box Lowes building supply center (1998), which faces the site. Properties located north of the site are zoned LC, with Protective Overlays (PO) attached to them. These properties are developing as a Freddy’s Frozen Custard. Further north, across University Avenue, are the LC zoned Pizza Hut Bistro (2005) and Applebee’s (2009) restaurants, plus an undeveloped commercial site; all have POs.

Although the site has been identified in the Comprehensive Plan as appropriate for “Local Commercial” uses, the close proximity (abutting south and east sides of the site) of the site to an established single-family neighborhood requires any commercial uses on the site to be developed so as to minimize any negative impact on the neighborhood; the site was originally platted as a single-family residential lot and is part of the remaining western edge of this neighborhood. The earlier rezoning (1992 to the present) of properties located north and northeast of the site, on both sides of University, offers similar considerations to the subject site. To buffer the abutting and adjacent existing single-family residences from the unspecified commercial development on the site, planning staff recommends that a PO be approved that continues the development controls established during the prior approval of the zoning changes on the abutting and adjacent northern properties. The recommended PO limits signage, lighting, noise, and building height;

requires a six – eight foot high masonry wall and a landscape buffer along the south and east property lines; and prohibits certain uses that are less compatible with residential development. If, in the future, the zoning of the residential properties to the south or east are changed to allow commercial uses, then the provisions of the PO could be amended.

Access to the subject lot is from Ridge Road South, a residential street which runs into the northern, abutting, developing LC zoned Freddy's site. The subject site's proposed LC zoning would generate commercial traffic from Taft Avenue onto Ridge Road South and past the one remaining abutting (south side of site), single-family residence located on Ridge Road South, north of Taft; a cross lot access agreement with the abutting, developing, northern LC property is recommended. The northern abutting LC properties have access onto Mid-Continent Road/Ridge Road, a principal arterial.

CASE HISTORY: The subject property is Lot 6, Block H, Westerlea Village Addition, which was recorded August 11, 1949.

ADJACENT ZONING AND LAND USE:

NORTH:	LC	Restaurants, undeveloped
SOUTH:	SF-5, LC	Single family residences, big box retail, restaurants, movie theater
EAST:	SF-5	Single family residences
WEST:	LC, GC	Medical office, big box building supply center, retail, motel warehouse-office

PUBLIC SERVICES: The subject site has frontage to Ridge Road South. Ridge Road South is a paved residential street with open ditches that runs into an abutting commercial development, which has direct access to Mid-Continent Road. Ridge Road South intersects to the south with Taft Avenue, a four-lane urban collector. Taft intersects with Mid-Continent Road a four-lane, principal arterial with turn lanes. Mid-Continent Road merges with and becomes Ridge Road around its intersection with University Avenue. Ridge Road is a four-lane, principal arterial with turn lanes. There is a raised, full curbed median strip on Mid-Continent/Ridge Road, from Maple Avenue to the Kellogg Street/US-54 interchange, with cuts at its intersections with Taft (traffic lights) and University. The 2030 Transportation Plan indicates no change to the status of any of these roads. Available traffic counts in the area show approximately 23,700 average trips per day on this section of Mid-Continent/Ridge Road and 10,800 average trips per day on this section of Taft. All utilities are currently provided to the subject site.

CONFORMANCE TO PLANS/POLICIES: The "2030 Wichita Functional Land Use Guide of the Comprehensive Plan" identifies the area between University and Taft Avenues, Mid-Continent Road/Ridge Road, and Summitlawn Drive as appropriate for "Local Commercial" development. The Local Commercial category includes commercial, office and personal service uses that do not have a regional draw. The Commercial Locational Guideline recommends that commercial traffic not access residential streets, which is how Ridge Road South is currently classified. In theory, Ridge South will remain a residential street, until the remaining, one,

single-family residence becomes a commercial property. Because of this application and recent commercial rezoning and development in the immediate area, Ridge South has become more like a drive serving commercial activities. A change in zoning and use for the remaining residence on Ridge South, north of Taft is not a certainty. However, based on the area's past zoning and development patterns (commercial) and the Land Use Guide's designating the area's properties as Local Commercial a zoning change is possible. The Commercial Locational Guidelines of the Comprehensive Plan also recommends that commercial sites should have site design features which limit noise, lighting, and other activity from adversely impacting surrounding residential areas; the proposed PO addresses those considerations.

RECOMMENDATION: Based upon information available prior to the public hearings, planning staff recommends that the requested LC zoning be APPROVED, subject to the following provisions of a PO:

- A. No off-site or portable signs shall be permitted on the subject property. No signs shall be permitted along the face of any building or along any street frontage that faces or is across the street from any property that is in a residential zoning district. Signs will be a monument type of sign, as permitted by the sign code in the LC zoning district.
- B. Light poles shall be of the same color and design and shall have cut-off fixtures which direct light away from any abutting or adjacent properties that are in a residential zoning district. Light poles shall be limited to a maximum height, including the base of the light pole, of 25-feet. Light poles shall not be located within any setbacks. Lighting on buildings must be directed down, away from abutting and adjacent residential zoned properties.
- C. Outdoor speakers and sound amplification systems shall not be permitted, with the exception of restaurant order boards.
- D. No buildings shall exceed one story in height with a maximum building height of 35 feet.
- E. A 6-8 foot high masonry wall shall be constructed parallel to the south and east property lines of the subject site, where it abuts existing single-family residences and SF-5 Single-family Residential zoning. A 15-foot wide landscape buffer will be provided along the south and east sides of the subject site.
- F. Deliveries and trash service shall be between the hours of 6 a.m. and 10 p.m.
- G. The subject site shall comply with the compatibility setback standards on the interior side yard (south) and rear yards (east).
- H. All access onto public right-of-way, cross lot access, internal circulation, utility easements, drainage and the final size and configuration of the subject site shall be resolved, per the standards of the Subdivision Standards, as reviewed and recommended by Public Works, Storm Water, Water and sewer, Fire and Traffic; City staff and all franchised utilities. No building permits shall be issued until City staff has reviewed all necessary plans for water and sewer, grading, drainage, access, and all utilities.
- I. The following uses shall not be permitted: adult entertainment establishment; group residence; correctional placement residence; group home; recycling collection station; reverse vending machine; car wash; convenience store; night club; recreation and entertainment; outdoor vehicle sales; service station; tavern and drinking establishment; and vehicle repair.

This recommendation is based on the following findings:

1. **The zoning, uses and character of the neighborhood:** The surrounding area is characterized by a mixture of single-family residences, commercial uses and property developing for commercial uses. The properties to the south and east/northeast (large single-family neighborhood) are zoned SF-5 and are developed with single-family residences (mid 1950s – mid 1960s). Further south, across Taft Avenue, are the GC General Commercial (“GC,” with Community Unit Plan “CUP” DP-151) and LC (CUP DP-37) zoned large box retail, restaurants, and a movie theater. The most immediate property located west of the site (across Ridge Road South) is zoned LC with a CUP overlay, DP-37. This parcel is developed as a single-story, brick, medical office (1984). DP-37 extends west across Mid-Continent Road from the site, anchored by the LC & GC zoned big box Lowes building supply center (1998), which faces the site. Properties located north of the site are zoned LC, with Protective Overlays (PO) attached to them. These properties are developing as a Freddy’s Frozen Custard. Further north, across University Avenue, are the LC zoned Pizza Hut Bistro (2005) and Applebee’s (2009) restaurants, plus an undeveloped commercial site; all have POs.
2. **The suitability of the subject property for the uses to which it has been restricted:** The subject property is zoned SF-5 which accommodates moderate-density, single-family residential development and complementary land uses. The site is currently developed as a single-family residence; however, the residence faces an LC zoned medical office, the principal arterial road Mid-Continent Road/Ridge Road and the LC – GC zoned big box Lowe’s building supply store. These commercial developments make this site less desirable for single-family residential use. Recently rezoned single-family lots located north of the site, on both sides of University to commercial with commercial development, also make this site less desirable for single-family residences. Additionally, the site is located less than 370 feet from GC zoned uses such as large box retail, restaurants and a movie theater.
3. **Extent to which removal of the restrictions will detrimentally affect nearby property:** Detrimental effects should be minimized by the conditions of a Protective Overlay which would limit signage, lighting, noise, and building height; require a 6-8 foot high masonry wall and landscape buffer along the south and east property lines; and prohibit certain uses that are less compatible with the area’s residential development.
4. **Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies:** The “2030 Wichita Functional Land Use Guide of the Comprehensive Plan” identifies the area between University and Taft Avenues, Mid-Continent Road/Ridge Road, and Summitlawn Drive as appropriate for “Local Commercial” development. The Local Commercial category includes commercial, office and personal service uses that do not have a regional draw. The Commercial Locational Guideline recommends that commercial traffic not access residential streets, which Ridge Road South is classified as. In theory, Ridge South will remain a residential street, until

the remaining, one, single-family residence becomes a commercial property. Because of this application and recent commercial rezoning and development in the immediate area, Ridge South has become more like a drive serving commercial activities. A change in zoning and use for the remaining residence on Ridge South, north of Taft is not a certainty. However, based on the area's past zoning and development patterns (commercial) and the Land Use Guide's designating the area's properties as Local Commercial a zoning change is possible. The Commercial Locational Guidelines of the Comprehensive Plan also recommends that commercial sites should have site design features which limit noise, lighting, and other activity from adversely impacting surrounding residential areas; the proposed PO addresses those considerations

5. **Impact of the proposed development on community facilities:** Detrimental impacts should be minimized through the PO. The PO requires no building permits shall be issued until access onto public right-of-way, cross lot access, internal circulation, utility easements, drainage and the final size and configuration of the subject site shall be resolved, per the standards of the Subdivision Standards, as reviewed and recommended by Public Works, Storm Water, Water and sewer, Fire and Traffic; City staff and all franchised utilities. Other community facilities should not be adversely impacted.

BILL LONGNECKER, Planning Staff presented the Staff Report.

LONGNECKER noted a change to Condition #E, on page 4 requested by the applicant to substitute a 6-foot wooden fence for 5 years or until the sale of the properties to the north. He said staff is comfortable with that request and feel it would be an appropriate substitute. He added that staff has not had any calls or protests on the case.

MOTION: To approve subject to staff recommendation and modifications made by staff at the meeting.

MARNELL moved, **MCKAY** seconded the motion, and it carried (11-0).

City of Wichita
City Council Meeting
April 12, 2011

To: Mayor and City Council

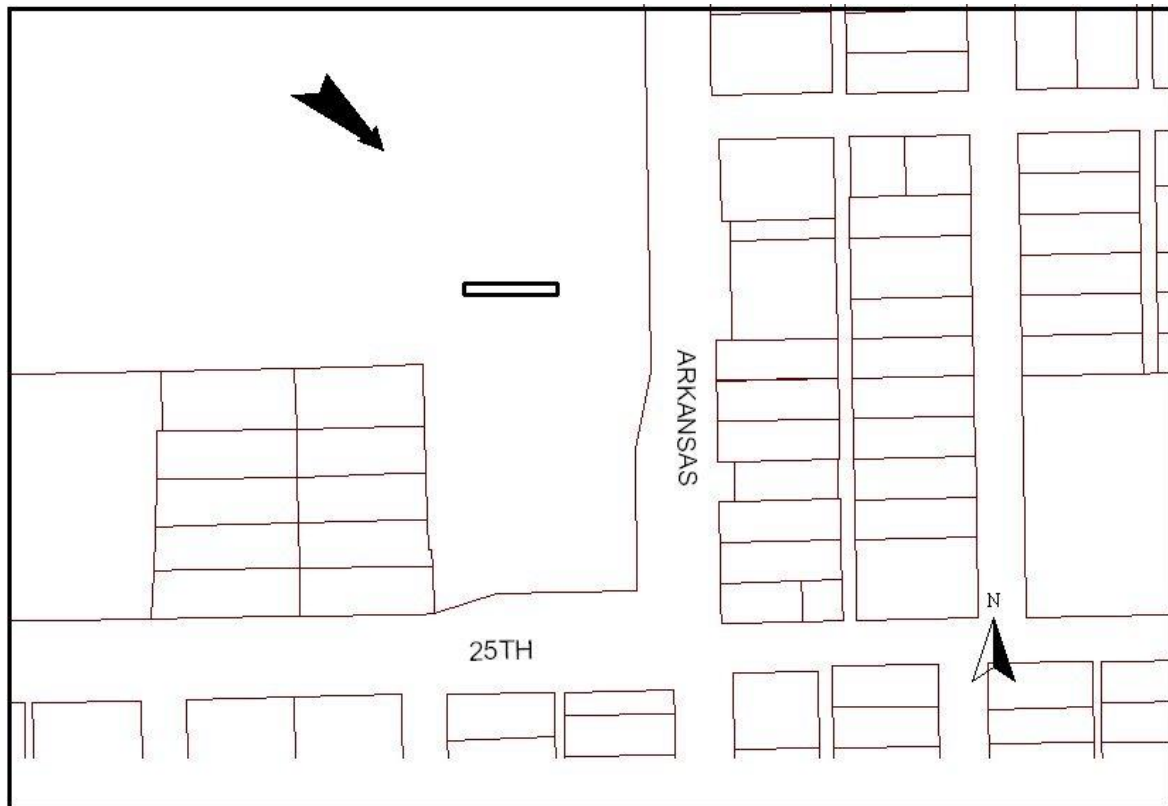
Subject: VAC2010-00043 - Request to vacate a platted sewer easement; generally located on the northwest corner of Arkansas Avenue and 25th Street North. (District VI)

Initiated By: Metropolitan Area Planning Department

Agenda: Planning (Consent)

Staff Recommendation: Staff recommends approval of the vacation request.

MAPC Recommendation: The Metropolitan Area Planning Commission (MAPC) recommended approval of the vacation request.



Background: The applicant proposes to vacate the platted, 12-foot wide by 117.5-foot long sewer easement to allow construction of a day care. There is a sewer line and a manhole in the platted sewer easement, which has an approved plan to be abandoned; Permit #SW2011-0004. There are no other utilities located in the easement. The site is located within the Evergreen public park, along its southeast corner, with direct access onto Arkansas Avenue. The Evergreen Park Addition was recorded with the Register of Deeds on July 21, 1976.

NOTE: This case is associated with CON2011-00005, a Conditional Use request for a “day care, general,” which was approved by the MAPC (13-0) at their February 24, 2011, meeting. No one spoke in opposition to the request at the MAPC’s advertised public hearing, and no written protests were filed.

Analysis: The MAPC voted (12-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC’s advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Financial Considerations: All improvements are to City standards and at the applicant’s expense.

Goal Impact: The application supports the City’s goal to Ensure Efficient Infrastructure.

Legal Considerations: A certified copy of the Vacation Order will be recorded with the Register of Deeds.

Recommendation/Actions: Follow the recommendation of the Metropolitan Area Planning Commission, to approve the Vacation Order and authorize the necessary signatures.

Attachments: No attachments are necessary for this vacation request.

City of Wichita
City Council Meeting
April 12, 2011

To: Mayor and City Council

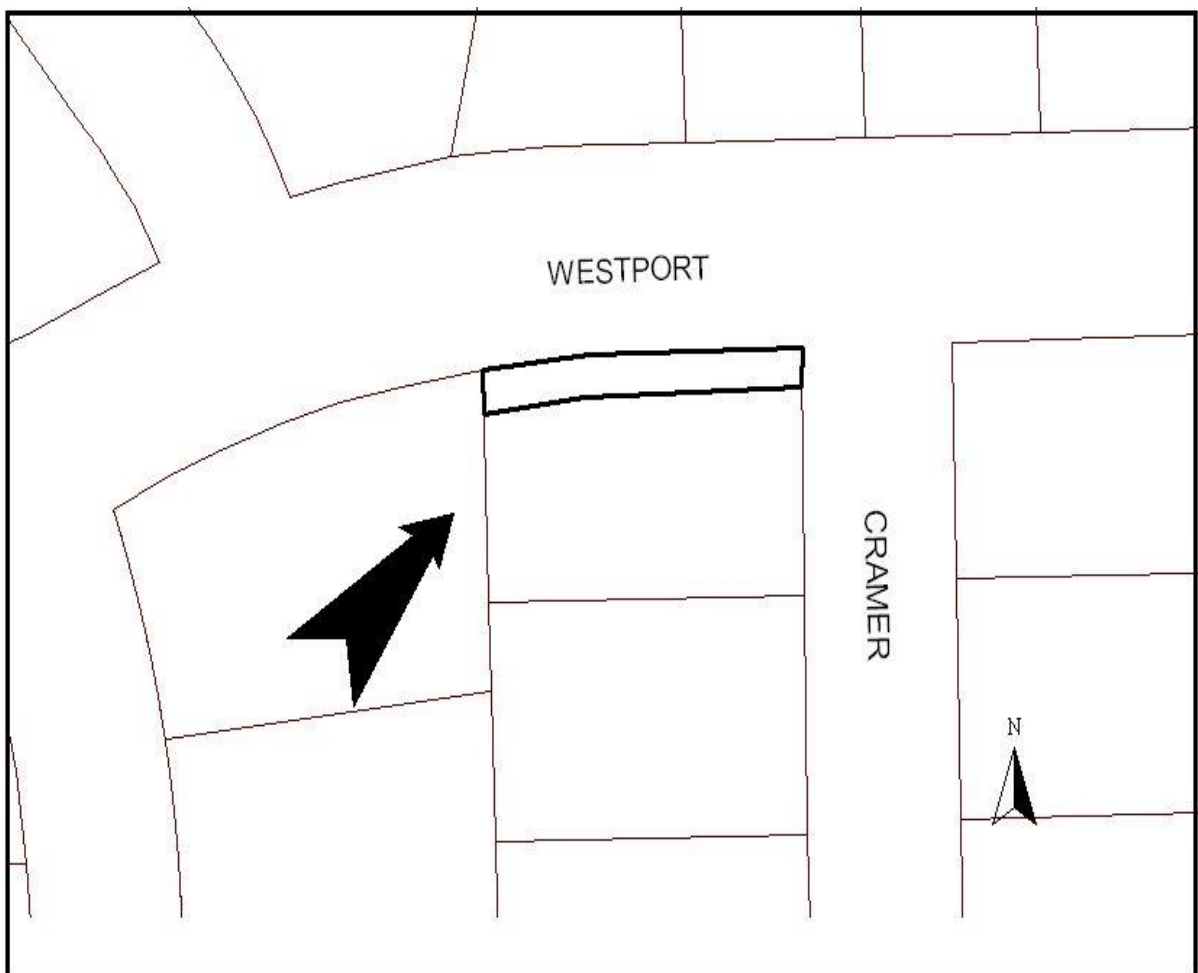
Subject: VAC2011-00002 - Request to vacate a portion of a platted setback; generally located midway between 13th and 21st Streets North, west of Ridge Road. (District V)

Initiated By: Metropolitan Area Planning Department

Agenda: Planning (Consent)

Staff Recommendation: Staff recommends approval of the vacation request.

MAPC Recommendation: The Metropolitan Area Planning Commission (MAPC) recommended approval of the vacation request.



Background: The applicants propose to vacate the south three (3) feet of the platted 15 foot street side yard setback on their SF-5 Single-Family Residential (“SF-5”) zoned corner lot; Lot 12, Block 3, Westwood Heights 2nd Addition. The Unified Zoning Code’s minimum street side yard setback for the SF-5 zoning district is 15 feet. The applicants are requesting a reduction of the street side yard setback to 12 feet. If the setback was not platted, the applicants could have requested an Administrative Adjustment that would reduce the SF-5 zoning district’s minimum 15 foot street side yard setback by 20%, resulting in a 12 foot street side yard setback. Reduction beyond the 12 foot street side yard setback would require a variance, which is a separate public hearing process. There are no platted easements or utilities within the platted setback. The Westwood Heights 2nd Addition was recorded with the Register of Deeds on February 13, 1979.

Analysis: The MAPC voted (11-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC’s advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Financial Considerations: All improvements are to City standards and at the applicant’s expense.

Goal Impact: The application supports the City’s goal to Ensure Efficient Infrastructure.

Legal Considerations: A certified copy of the Vacation Order will be recorded with the Register of Deeds.

Recommendation/Actions: Follow the recommendation of the Metropolitan Area Planning Commission, to approve the Vacation Order and authorize the necessary signatures.

Attachments: No attachments are necessary for this vacation request.

**City of Wichita
City Council Meeting
April 12, 2011**

TO: Wichita Airport Authority

SUBJECT: Fugate Aviation, Inc.
Lease Agreement for use of 1410 Airport Road & 1420 Airport Road
Wichita Mid-Continent Airport

INITIATED BY: Department of Airports

AGENDA: Wichita Airport Authority (Consent)

Recommendation: Approve the Agreement.

Background: Fugate Enterprises has been in the restaurant business for over thirty years. Fugate Aviation, Inc. (Fugate) is a division of Fugate Enterprises. Fixed Base Operators (FBO's) on Mid-Continent Airport have provided aircraft services and subleased hangar space for aircraft storage to Fugate since 1994.

Analysis: Fugate is now desirous of leasing two and one-half acres of land on Wichita Mid-Continent Airport to construct a 16,184 sq. ft. hangar this year. The estimated construction cost to build the hangar is \$1 million. The hangar will be built with private financing from the tenant. The hangar will be located south of Pueblo Road and east of Airport Road, and it will house Fugate's company and personal aircraft. There are plans for an additional hangar on the leasehold for commercial use that will be considered at a later time. The initial term of the lease is twenty years with two, five-year option terms. It is the Wichita Airport Authority's (WAA) policy that all Airport properties located on Mid-Continent Airport and Colonel James Jabara Airport are owned by WAA, with the exception of a few governmental facilities. WAA's responsibility is to provide the utilities and access infrastructure to serve the leasehold.

Financial Considerations: The land rental rate of \$.1982 per sq. ft. will result in new annual revenue to the WAA of \$21,000 for use of the land. The land rental rate will increase five percent every five years, which is consistent with the WAA's published land rental rate schedule.

Goal Impact: The Airport's contribution to the Economic Vitality of Wichita is promoted through negotiating agreements which allow Mid-Continent's business partners to develop on the Airport, which in turn, generate rental income for the WAA and allows the Airport to continue its operation on a self-sustaining basis.

Legal Considerations: The Agreement has been approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the Wichita Airport Authority approve the Agreement and authorize the necessary signatures.

Attachments: Agreement.

USE AND LEASE AGREEMENT

By and Between

WICHITA AIRPORT AUTHORITY
Wichita, Kansas

and

Fugate Aviation, Inc.

for

Commercial Hangar Operator
Use and Lease Agreement
Wichita Mid-Continent Airport
Wichita, Kansas

THIS AGREEMENT is entered into this April 12, 2011, between THE WICHITA AIRPORT AUTHORITY, Wichita, Kansas (LESSOR) and Fugate Aviation, Inc. (LESSEE).

WHEREAS, LESSOR is a governmental or quasi-governmental entity authorized under the laws of the State of Kansas to own and operate one or more airports, with full, lawful power and authority to enter into binding legal instruments by and through its governing body; and

WHEREAS, LESSOR owns, operates, regulates, administers, and maintains the campus of Wichita Mid-Continent Airport (Airport); and

WHEREAS, LESSEE is an individual, or an entity authorized to operate in the state of Kansas that desires to lease a parcel or parcels of land defined below (Premises) on the campus of Wichita Mid-Continent Airport (Airport) from LESSOR under the terms and conditions set forth below in this Use and Lease Agreement (Agreement) for the purpose of constructing a commercial hangar by LESSEE on the Premises;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein set forth, LESSOR and LESSEE do hereby covenant and agree as follows:

1. PREMISES

LESSOR agrees to let to LESSEE, and LESSEE does hereby rent from LESSOR certain real property located at 1420 Airport Road, consisting of 62,837 sq. ft. of land, and 1410 Airport

Road, consisting of 52,502 sq. ft. of land (Premises), as set forth and shown on the attached Exhibit "A". The Premises shall include the land and any facilities, structures and improvements located and constructed on the land.

Except as may be otherwise expressly provided in this Agreement, the taking of possession of the Premises by LESSEE shall in itself constitute acknowledgement that the Premises are in good and tenantable condition, and LESSEE agrees to accept Premises in its presently existing condition, "as is," "where is," and that LESSOR shall not be obligated to make any improvements or modifications thereto except to the extent that may otherwise be expressly provided in this Agreement.

2. INITIAL TERM

The Term of this Agreement shall commence on June 1, 2011, and shall continue for a period of twenty years ("Initial Term"), with the Initial Term expiring on May 31, 2031, unless otherwise terminated under provisions agreed to herein.

3. OPTION TERMS

This Agreement may be renewed for two, five-year periods ("Option Term"), from and after April 1, 2031, provided LESSEE is not in default hereunder beyond any applicable grace or cure periods in rental or other payments to LESSOR at the time such notice exercising the Option Term is given. If LESSEE chooses to exercise its option to renew, written notice shall be submitted to LESSOR no less than ninety (90) days prior to the expiration of the Initial Term. If LESSEE is in default of any obligation under this Agreement beyond the time periods expressly allowed in this Section, then any notice attempting to exercise the Option Term shall be void.

4. LAND RENT DURING INITIAL TERM

Upon commencement of this Agreement, LESSEE shall pay to LESSOR basic land rental for the Premises located at 1420 Airport Road, containing 62,837 sq. ft, and 1410 Airport Road, containing 52,502 sq. ft, for a total of 115,339 sq. ft. That rent shall be calculated as follows:

INITIAL TERM					
1410 Airport Road – 52,502 Sq. Ft.					
1420 Airport Road – 62,837 Sq. Ft.					
Years			Rate Per Sq. Ft.	Annual	Monthly
06/01/2011	-	05/31/2016	.1982	22,860.24	1905.02
06/01/2016	-	05/31/2021	.2081	24,002.05	2000.17
06/01/2021	-	05/31/2026	.2185	25,201.57	2100.13
06/01/2026	-	05/31/2031	.2294	26,458.77	2204.90

LESSEE shall pay to LESSOR in advance on the first day of each month, without demand or invoicing, rentals for LESSEE's leased Premises as set forth herein.

In the event LESSEE fails to make payment within ten (10) days of the dates due as set forth in this Section, then LESSOR may charge LESSEE a monthly service charge in any amount up to the maximum allowable under Kansas law on any such overdue amount, plus reasonable attorneys' and administrative fees incurred by LESSOR in attempting to obtain payment.

Any amounts due LESSOR from LESSEE for utility cost (as defined in Section 25), maintenance, reimbursements, or other special charges will be paid by LESSEE within thirty (30) days of the date of the invoice.

5. FACILITY RENT DURING OPTION TERM

Facility rental for all facilities shall commence at the beginning of the Second Option Term. Facility rental for all facilities, structures, fixtures and improvements on the real estate during the Second Option Term period, if exercised, shall be set at the then-current market value of such facilities, structures, fixtures and improvements as determined by a single independent third-party licensed and accredited commercial property appraiser with offices in Wichita, Kansas, and experience with the local commercial property market. The appraiser shall be selected by agreement of the parties. In the event that the parties cannot agree on this selection within 15 days after notice is given for exercise of the Second Option Term, then this appraiser role shall be filed by designation of the chair person of the board of appraisers issuing the most recently completed condemnation action filed by the City of Wichita. The valuation established by the selected or designated appraiser shall be conclusive on the parties.

6. LAND RENT DURING OPTION TERM

It is understood and agreed that basic land rental during the Option Term, if exercised, shall be as follows:

FIRST OPTION TERM					
1410 Airport Road – 52,502 Sq. Ft. 1420 Airport Road – 62,837 Sq. Ft.					
Years			Rate Per Sq. Ft.	Annual	Monthly
06/01/2031	-	05/31/2036	.2409	27,785.17	2315.43

SECOND OPTION TERM					
1410 Airport Road – 52,502 Sq. Ft. 1420 Airport Road – 62,837 Sq. Ft.					
Years			Rate Per Sq. Ft.	Annual	Monthly
06/01/2036	-	05/31/2041	.2529	29,169.23	2430.77

7. OTHER FEES AND CHARGES

It is understood and agreed by LESSEE that LESSOR may assess fees and charges to LESSEE according to rates established by LESSOR's Schedule of Fees and Charges. Such Schedule shall be amended from time to time by action of the LESSOR.

8. PLACE OF PAYMENTS

LESSEE shall make all payments by check made payable to the Wichita Airport Authority, and all payments and reports shall be delivered or mailed to:

Wichita Airport Authority
2173 Air Cargo Road
Wichita, Kansas 67209

or such other address as designated in writing.

9. LESSEE'S IDENTITY

LESSEE must be a natural person or an entity, firm, company, corporation, partnership or a joint venture which has substance under State of Kansas Law and a specific legal identity and business purpose as registered with the Secretary of State in the LESSEE's state of business residence.

10. PERMITTED USE OF PREMISES

Upon performance of all provisions contained in this Agreement, LESSEE, as a Commercial Hangar Operator (CHO), shall have the right of use of the Premises to develop, operate and maintain hangar and support facilities for the purpose of furnishing to the public aircraft storage hangar facilities on a long-term rental/sub-lease basis in compliance with the LESSOR's Minimum Standards for Aeronautical Activity as set forth and shown on the attached Exhibit "B". Other commercial activities or services, including but not limited to flight training, aircraft charter, aircraft maintenance, aircraft and components sales may be permitted if the proposed commercial activity will meet all requirements of the Minimum Standards for Aeronautical Activity, appropriate space is available, proper parking is developed, and security/access controls are established.

LESSEE shall have the right of ingress and egress, in common with others, for both vehicles and aircraft, for the benefit of its employees, invitees, contractors, agents and representatives, to be exercised in a reasonable manner. This right of ingress and egress is granted for activities incidental or related to LESSEE'S approved activities, and for no other purposes except as may be approved in writing by LESSOR. This right is subject to federal, state and local security and safety requirements and standards. As required by Kansas state statute, it is understood and agreed that the Premises shall be used and occupied for aviation purposes or purposes incidental or related thereto in support of a commercial hangar operator.

LESSEE recognizes that other tenants now and hereafter may occupy other portions of the Airport, and that such other tenants shall have the right to use public roadways, streets, ramps, taxiways, runways, access gates, lighting, beacons, navigational aids, or other conveniences for aeronautical operations, and these common facilities are not under an exclusive use lease; and LESSEE shall conduct its operations in such a manner as to not impede access by others to these common facilities, nor in any other way interfere with, nor disrupt the business of other tenants or the quiet enjoyment of their leasehold interests at the Airport.

LESSOR reserves the right to grant and/or permit other parties the right to use any portion of the Airport, except that described in Section 1, Premises, for any permitted purpose, and upon any fair and non-discriminatory terms established by the LESSOR.

LESSEE, its affiliated entities, subsidiaries, employees, agents, representatives, contractors, and subcontractors, will not transact or otherwise engage in any other activities, business, and/or services on or from the Premises, except as described in this Agreement, unless such is provided for by a separate written approval, or amendment to this Agreement, and subject to approval by LESSOR. LESSEE shall at all times maintain compliance with the LESSOR's Minimum Standards as set forth and shown on the attached Exhibit "B".

11. PROHIBITED USE OF PREMISES

The Premises shall not be used for any purpose not expressly authorized in Section 10, Permitted Use of Premises. The following operations, services and concessions shall be specifically prohibited on or from the Premises or any other location at the Airport:

- (a) Commercial catering, restaurant and/or lounge concessions;
- (b) Commercial (for hire) ground transportation;
- (c) Commercial "paid" parking;
- (d) Commercial hotel or lodging;
- (e) Sale of non-aviation products and services;
- (f) "Short-term" aircraft storage (less than six (6) months);
- (g) Sale, trade or bartering of aviation fuels, or other fuel or lubricant products;
- (h) Revenue-producing communication systems or systems not directly applicable to LESSEE's operations on the Premises;
- (i) Automobile rental service;
- (j) Storage and/or maintenance of any auto, truck, trailer, camper, boat, jet ski, motor cycle, recreational vehicle or other non-aviation or non-aircraft service and support vehicle or equipment;
- (k) Commercial outdoor advertising;
- (l) Any activity considered by LESSOR to not be aviation purposes or purposes incidental or related thereto in connection with a commercial hangar operator.

The LESSEE shall not perform, or allow to be performed any engine "run-up" in excess of fifty (50) percent power level on the Premises.

12. NON-EXCLUSIVE USE OF CERTAIN FACILITIES

LESSOR grants the LESSEE, in common with other users, the non-exclusive use of the Airport and appurtenances, together with all facilities, improvements and services which are now, or may

hereafter be provided at, or in connection with the Airport. This use is limited to the purposes for which such facilities were designed and constructed, and for no other purposes, and is available only from time to time and on a non-exclusive use basis, according to the discretionary operational decisions of LESSOR. These facilities include, but are not limited to roadways, streets, ramps, taxiways, runways, access gates, lighting, beacons, navigational aids, or other conveniences for aeronautical operations which are not exclusively leased areas of the LESSEE or of any other tenant on the Airport.

13. LESSEE'S RIGHTS AND PRIVILEGES

LESSEE shall have the following rights and privileges on the Premises and on the Airport:

- (a) The rights to install, operate, repair, and store upon the Premises all personal property and fixtures necessary for the conduct of LESSEE's lawful business.
- (b) The right of ingress and egress to and from the Premises, which rights shall extend to LESSEE's invitees, contractors, subcontractors, agents, representatives and employees; subject, however, to all reasonable security regulations;
- (c) The right in common with others authorized to do so, to use the common areas of the Airport, consisting of but not limited to roadways, streets, ramps, taxiways, runways, access gates, lighting beacons, and navigational aids.
- (d) The right to uninterrupted taxiway connection and access from the Premises to the LESSOR's air operations area (AOA) connecting and adjacent to the Premises.

14. LESSOR'S RIGHTS AND PRIVILEGES

LESSOR expressly reserves from the Premises:

- (a) Mineral Rights. All gas, oil and mineral rights in and under the soil.
- (b) Water Rights. All statutory, exempt, vested, and granted appropriation rights for the use of water, and all rights to request further appropriations for the Premises.
- (c) Airspace. A public right of flight through the airspace above the surface of the Premises. This public right of flight will include the right to cause or allow in said airspace, any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operation on the Airport. No liability on the part of LESSOR or any Tenant will result from the exercise of this right.
- (d) Navigational Aids. The right to install, maintain and modify and/or permit others to install, maintain and modify on the Premises visual and electronic navigational aids.

- (e) Entry and Inspection of Premises. The right of LESSOR, its authorized officers, employees, agents, contractors, subcontractors, authorized government agents, or other representatives to enter upon the Premises:
 - (1) To inspect at reasonable intervals during regular business hours (or any time in case of emergency or lawful investigation) to determine whether LESSEE has complied, and is complying with the terms and conditions of this Agreement;
 - (2) To Inspect Premises, facilities, and equipment for compliance with laws, regulations and/or codes of the federal, state or local government, airport rules and regulations and airport standard operating procedures; and
 - (3) To construct or erect new facilities, or to perform maintenance, repair, or replacement relating to the Premises or any facility thereon, as may be required and necessary, but LESSOR shall not be obligated to exercise this option.
- (f) Radio/Wireless Communication Systems. The right to approve or withhold approval of any use of fixed RF Systems for the transmission of radio frequency signals in/on the Premises.
- (g) General Provisions. The right to exercise any and all rights set out in Section 53, General Provisions.
- (h) Signage. The right to enter onto the premises for installation, and the right to install any signage on the Premises required by law, order, rule, regulation, Airport Security Program or federal directive.

Provided that exercise by LESSOR of any such reserved rights (a) through (h) shall be without expense to the LESSEE and shall not unreasonably or materially interfere with LESSEE's use of the Premises and shall not delay LESSEE in the exercise of its rights or the performance of its duties hereunder or increase the costs of such performance.

15. NON-INTERFERENCE WITH AIRPORT OPERATIONS

LESSEE covenants and agrees that it shall not allow any condition on the Premises, nor permit the conduct of any activity on such Premises, which shall materially or adversely affect the development, improvement, operation, or maintenance of the Airport or its facilities, nor shall LESSEE use or permit the Premises to be used in any manner which might interfere with the landing and take-off of aircraft from the Airport or otherwise constitute a hazard to the general public, or to LESSOR's tenants or the customers, agents, invitees, contractors, representatives and employees of those tenants.

LESSEE covenants and agrees that it shall not allow any condition on the Premises, nor permit the conduct of any activity on such Premises, which shall materially or adversely affect, infringe upon, block or interrupt the operations and business activity of other airport tenant leaseholds.

16. COOPERATION WITH AIRPORT DEVELOPMENT

LESSEE understands and agrees that LESSOR may pursue Airport development, improvements and maintenance activities from time-to-time that may affect the Premises and other areas of the Airport. LESSEE agrees to work cooperatively and in good faith with the LESSOR and other tenants and contractors in development, improvement and maintenance activities to minimize any disruptions. If requested by the LESSOR, LESSEE shall cooperate with and assist the LESSOR to the greatest extent possible in the development and implementation of any plans, designs, ingress/egress, or transition that may arise in connection with such Airport development, improvement, and maintenance activities. LESSOR may temporarily or permanently close, re-route, or consent to the closing or re-routing of any method of ingress or egress on the Airport, so long as the means of ingress and egress are reasonably equivalent to current access available to LESSEE. LESSOR may temporarily close the runway, taxiways, ramps or portions thereof for purposes of maintenance, replacement, re-construction or expansion. Provided that exercise by LESSOR of any such Airport development, improvement, or maintenance shall be without expense to the LESSEE and shall not unreasonably or materially interfere with LESSEE's use of the Premises, and shall not delay LESSEE in the exercise of its rights or the performance of its duties hereunder or increase the costs of such performance.

17. DESIGN AND CONSTRUCTION

LESSEE agrees to construct a 16,184 sq. ft. facility or facilities on the Premises shown on Exhibit "A" as 1420 Airport Road. LESSEE warrants that the improvements, when completed, will be necessary or useful in its development for use by LESSEE for its purposes. LESSEE agrees to proceed diligently to complete the improvements. It shall be considered an event of default under this Agreement if construction of the facilities on 1420 Airport Road has not commenced within one hundred eighty (180) days from the commencement of the Initial Term of this Agreement, and shall be treated as an event of default, with notice of default given to LESSEE by LESSOR as set for under Section 32, Cancellation by Lessor. It shall be considered an event of default under this Agreement if a certificate of occupancy is not issued by the City of Wichita for the facilities on 1420 Airport Road within twelve (12) calendar months from the issuance of construction notice-to-proceed, and shall be treated as an event of default with notice of default given to LESSEE by LESSOR. LESSOR may extend such time periods in writing at its complete discretion.

LESSEE agrees to construct a second, equal or larger hangar within thirty months from the commencement of this Agreement, on that portion of the leased Premises shown on Exhibit "A"

as 1410 Airport Road. LESSEE shall have the right to sever 1410 Airport Road from the Premises within thirty months from the commencement of the Agreement upon written notice to Lessor. Ground rent for the balance of the tenancy, dating from the notice of severance, shall be reduced pro rata using the rate per sq. ft. set out in Section 4 of this Agreement, but there shall be no refund for ground rent for 1410 Airport Road previously paid, nor reduction of ground rent for 1410 Airport Road accrued and owing prior to notice of severance. If construction of this second hangar has not substantially begun by September 30, 2013, the LESSOR has full discretion to sever 1410 Airport Road from the Premises. This change in the description of the Premises shall be accomplished immediately upon unilateral, written notice of severance from LESSOR to LESSEE. Upon receipt of such notice, LESSEE shall immediately relinquish all use and control over 1410 Airport Road. Ground rent for the balance of the tenancy, dating from the notice of severance, shall be reduced pro rata using the rate per sq. ft. set out in Section 4 of this Agreement, but there shall be no refund for ground rent for 1410 Airport Road previously paid, nor reduction of ground rent for 1410 Airport Road accrued and owing prior to notice of severance. All provisions of this Agreement shall continue to apply to the remaining Premises, 1420 Airport Road after severance, whether accomplished by LESSOR or LESSEE.

If the Agreement is cancelled due to failure to construct and complete the facilities as set forth in this Section, LESSEE shall, at LESSOR'S election at LESSEE's sole expense, be required to restore the Premises to a like and comparable condition as existed at the commencement date of this Agreement within a time period of ninety (90) calendar days from expiration of LESSEE'S opportunity to cure as set out in Section 32, Cancellation by Lessor. At the end of the ninety (90) day period described above, LESSEE shall vacate the Premises, and LESSOR shall be entitled to complete the restoration work at LESSEE'S expense, plus an additional twenty percent (20%) administrative fee to be paid by LESSEE directly to LESSOR. The parties recognize that the Premises are unique property of substantial value, and stipulate that injunctive relief is appropriate to enforce the provisions of this Section. Irrespective of the performance under this Section, LESSEE shall be obligated for all rental payments under this Agreement until the Premises are both restored and vacated.

LESSEE agrees to and shall design and construct facilities and improvements on the Premises subject to the LESSOR'S express approval of LESSEE'S proposed plans and specifications, with adherence to the terms and conditions of this Agreement and to any additional design and construction standards, Airport Standard Operating Procedures, Airport Minimum Standards, Airport Security Program, and all other applicable regulations, codes and requirements set out by LESSOR. Plans and specification review submittals shall follow accepted practice for such deliverables, and the LESSOR shall provide comments, as applicable, on each submittal. Upon the LESSOR's reasonable request, the LESSEE shall provide additional or supplemental submittals, as may be reasonably required, to fully understand the proposed improvements. No above-ground wires or other utilities shall be installed on the Premises. LESSEE shall construct

and maintain at its own expense, paved taxiway access to the Airport's existing taxiway system. All aircraft pavement provided by LESSEE shall be designed and constructed in full conformance with applicable LESSOR and FAA standards for the largest type of aircraft expected to use the premises.

A storm water management plan developed by an engineer familiar with storm water management must be submitted as part of the preliminary plan review process. Storm water management facilities shall be designed and maintained in accordance with guidelines established by the City of Wichita, the Wichita Airport Authority, and the Federal Aviation Administration. No construction, development or subsequent activities shall be allowed to cause adverse drainage issues such as erosion, blocking the flow of water, etc. Upon LESSOR'S approval of facilities and improvements plans and specifications and upon approval and issuance of required building permits by the City of Wichita Office of Central Inspection, the LESSEE and LESSEE's employees, contractors, subcontractors, suppliers, agents, customers, business invitees, and/or representatives shall have the right to enter upon the Premises and commence construction. Stormwater best management practices (BMPs) shall be installed and maintained as required by LESSOR, and other federal, state, and local agencies having regulatory jurisdictional authority.

For any construction on the Premises, LESSEE shall purchase and maintain a builder's risk insurance policy, or require its prime contractor to carry such a policy, in a sum equal to the full project replacement value, with insurer licensed in the State of Kansas. This coverage shall be in effect from the date of the construction notice-to-proceed and until all financial interest ceases. The Wichita Airport Authority and the City of Wichita shall be named as additional insured on such policies.

LESSEE agrees: (1) construction shall be administered and observed on-site by construction and/or design professionals to ensure compliance with the approved plans and specifications; (2) proposed construction modifications, amendments or changes to the LESSOR approved plans and specifications shall be submitted to LESSOR for prior approval; (3) to repair or replace, at LESSEE's expense and to LESSOR's satisfaction, property damaged in the construction of the facilities and improvements by LESSEE, its contractors, agents or employees; and (4) to provide LESSOR, within ninety (90) days following occupancy of the facilities, a complete reproducible set of contractor's red-lined plans, along with a certification of project costs for all permanent improvements. Upon completion of the facility, LESSEE shall furnish a letter to LESSOR warranting that: (1) the improvements have been completed in accordance with the plans and specifications; (2) the improvements have been completed in a good and skilled manner; (3) no liens have been filed, nor is there any basis for the filing of such liens with respect to the improvements; and (4) all improvements constituting a part of the project are located or installed upon the Premises. Inaccurate or false certifications under this Section shall be a breach of this

Agreement which the parties agree may only be remedied by specific performance whenever discovered. This obligation to cure deficiencies in the improvements to the Premises by performance in a good and skilled manner shall survive this Agreement.

The approvals of this Section shall be deemed approval by the Wichita Airport Authority, as LESSOR, in its capacity as a property owner and landlord, but shall not be deemed approvals as required for the Zoning Code, Building Code, or any other approval required by the City of Wichita in a regulatory or governmental capacity. Notwithstanding any other indemnity provision, LESSEE shall indemnify and hold the LESSOR harmless for any liability for regulatory or governmental approvals or the failure to obtain the same. LESSEE shall be responsible for obtaining all permits and approvals required for the construction, maintenance, operation and use of all facilities on the Premises. Improvements within the secured area and AOA shall conform to Federal Aviation Administration and Transportation Security Administration regulations, standards and criteria for design, construction, inspection and testing.

LESSEE shall use reasonable efforts to coordinate the construction of the improvements with time schedules established by the LESSOR, should other construction be occurring at the Airport which may be impacted by this project; provided that LESSEE shall not be liable for any delays in construction occasioned by this coordination with the LESSOR that are outside of the control of the LESSEE.

18. FUTURE ALTERATION AND IMPROVEMENT STANDARDS

During the Initial and Option Term of this Agreement, LESSEE may, with prior written approval of LESSOR, and by lease amendment, if appropriate, add to, improve, or alter the Premises subject to all conditions set forth herein. Any such addition or alteration shall be performed in a good and skilled manner in accordance with all applicable governmental regulations, building codes, LESSOR's design and construction standards, Airport Rules and Regulations, Airport Standard Operating Procedures, Airport Security Program, and all other applicable regulations, codes and requirements. Any such addition or alteration must be designed and constructed in a manner that will not weaken or impair the structural strength or reduce the value or functionality of the Premises or existing improvements thereon, or change the purpose for which the building or any part thereof, may be used. Design, construction and approval of any additional facility on the Premises or any alteration to existing facilities on the Premises shall adhere in all respects and be subject to all the requirements and obligations established in Section 17, Design and Construction. It shall be the responsibility of LESSEE, to file all necessary alteration and construction forms with the Director of Airports, as the LESSOR's representative, for submission to the Federal Aviation Administration and/or the Transportation Security Administration for approval.

19. CONSTRUCTION COSTS

LESSEE agrees to pay all costs incurred in connection with the construction of the new structures, facilities and improvements, and future additions, improvements and alterations, unless otherwise expressly agreed to in writing by the LESSEE and LESSOR. LESSEE agrees to make direct payment to all materials, product and service providers for all such costs as they are incurred. LESSEE shall have no right, authority, or power to bind LESSOR or any interest of LESSOR in the Premises, for the payment of any claim for labor or material or for any charge or expense incurred in the erection, construction, operation, or maintenance of said improvements and Premises. LESSEE agrees to require contractors to name the LESSOR and the City of Wichita as beneficiaries of the required performance bond and the LESSOR and the City of Wichita as additional insureds, as their respective interests may appear, in any comprehensive accident or general liability insurance; builder's risk insurance; or any other policies required of the LESSEE relating to the construction of the Premises.

Before beginning construction, LESSEE shall, by agreement with its contractor or otherwise, provide performance, labor and material payment bonds and statutory bonds with respect to all improvements to be constructed on the Premises in the full amount for the project contract. The general contractor under any such contract shall be the principal and a surety company or companies qualified to do business in Kansas as surety. Such performance, labor and material payment bonds shall name the Wichita Airport Authority and the City of Wichita, Kansas as the obligees. Satisfaction of this requirement shall not be the basis for an extension of the Section 17, Design and Construction, construction period.

20. CONSTRUCTION INSPECTIONS

LESSOR shall have the right at any reasonable time prior to the completion of the construction of facilities and improvements and any future alterations and improvements thereto, to enter upon the Premises for the purpose of inspecting the construction thereof, to determine whether or not the improvements are being constructed substantially in accordance with the plans and specifications. If at any time during the progress of such construction, it is determined that the improvements are not being constructed substantially in accordance with the plans and specifications, upon receipt of written notice from the LESSOR, the LESSEE shall make or cause to be made such reasonable alterations as may be required to cause the improvements to substantially conform to the plans and specifications. However, LESSOR has no duty to undertake such inspections, and LESSOR will not be held to any duty of care regarding such inspections, if conducted. This Section shall have no effect on LESSEE'S obligations created under Section 17, Design and Construction.

21. REMOVAL AND DEMOLITION

LESSEE shall not remove or demolish, in whole or in part, any improvements upon the Premises without the prior written consent of the LESSOR, which may, at its discretion, condition such consent upon the obligation of LESSEE replacing the same by a reasonable improvement specified in such consent. LESSEE shall obtain written consent before commencing demolition and restoration as described under Section 17, Design and Construction. Failure to obtain this consent shall entitle the Authority to such compensation as is necessary to restore the affected improvements.

22. TITLE TO FACILITIES, IMPROVEMENTS AND FIXTURES

It is understood and agreed that title to the Premises and to all existing and future structures, facilities, improvements and fixtures shall be, and shall remain, exclusively with LESSOR, the Wichita Airport Authority.

LESSEE shall, without cost to LESSOR, furnish and install all non-attached furniture, movable partitions, decorations, accessories, equipment, and tools necessary to conduct its business, which shall retain status as personal property even though temporarily affixed to the Premises. Title/ownership to non-attached personal property shall remain with LESSEE.

The term "fixtures", whenever used in this Agreement, shall be construed to include all structures and fixed systems and equipment erected or installed upon the Premises, all fencing, grading and pavement, all underground wires, cables, pipes, conduits, tanks, drains and drainages; and all other property of every kind and nature which is permanently affixed to the Premises, except LESSEE's personal property.

All facilities, structures and improvements, and alterations and additions to the Premises, excluding personal property of LESSEE, placed at the expense of LESSEE, shall remain upon and be surrendered with the Premises as a part thereof, on any termination of this Agreement, for any cause, and shall remain the property of the LESSOR.

23. LIENS

LESSEE shall take or cause to be taken all steps that are required or permitted by law in order to avoid the imposition of any lien upon the Premises or any improvements thereon. Should any lien be placed on the Premises or any improvements thereon, LESSEE shall cause to be removed any and all liens of any nature. This obligation includes, but is not limited to, tax liens and liens

arising out of or because of any financing, construction or installation performed by or on behalf of LESSEE or any of its contractors or subcontractors upon LESSEE's Premises or arising out of or because of the performance of any work or labor to it or them at said Premises or the furnishing of any materials to it or them for use at said Premises. Should any such lien be made or filed, LESSEE shall bond against or discharge the same within thirty (30) days after actual notice of the same from any source, whether from LESSOR or otherwise, and provide written proof of discharge or bonding to LESSOR within that time. LESSEE acknowledges that its interest in the Premises is a leasehold, and that notwithstanding its construction of improvements on the Premises, such improvements accrue to the LESSOR and that it has no equity interest in the Premises which can support a mortgage lien. LESSEE may not mortgage or pledge as collateral its leasehold interest herein without the prior written consent of the LESSOR.

LESSOR may consent, upon LESSEE's written request, to an assignment of rents to a governmentally regulated and insured commercial lender as partial security for financing of LESSEE's activities on the Premises, which assignment is intended to be a present transfer to such lender of all of LESSEE's rights to collect and receive rents and charges from approved users, operators, sublessees and permittees. Lender(s) shall have no rights to assign this Agreement or sublease the Premises without the prior written consent of the LESSOR as required under Section 26, Assignment and Section 27, Subleasing, Permitting and Contracting. Upon LESSEE's written consent LESSOR agrees to give Lender(s) notice of any default or cancellation of the Agreement, and allow Lender(s) the same opportunity as the LESSEE under the Agreement to correct any condition or cure any default. Nothing in this Section is intended to relieve the LESSEE of its obligations under this Agreement.

24. TAXES, LICENSES AND PERMITS

LESSEE shall promptly pay all taxes, excises, license fees and permit fees of whatever nature applicable to its operation or lease of the Premises. LESSEE may elect, however, at its own cost and expense, to contest any such tax, excise, levy, or assessment. LESSEE will keep current all Federal, State or local licenses, operating certificates or permits required for the conduct of its operations. LESSEE represents and warrants to LESSOR that it has obtained all license, franchise, operating certificates or other agreements or permits necessary to operate LESSEE's operation in accordance with the terms of this Agreement, and LESSEE covenants to keep all such licenses, franchises, permits, operating certificates and other agreements in full force and effect during the Term of this Agreement.

LESSEE shall pay all lawful taxes and assessments which, during the term hereof, may become a lien upon or which may be levied by the State, County, City or any other tax levying body, upon the leased Premises or upon any taxable interest of LESSEE acquired in this lease agreement, or

any taxable possessory right which LESSEE may have in or to the leased Premises, including any improvements or facilities located on the Premises, as well as LESSEE shall also pay all lawful taxes and assessments on taxable property, real or personal, owned by LESSEE in and about said Premises. Nothing in this Section shall prevent LESSEE from contesting the legality, validity or application of any such tax or assessment to the full extent LESSEE may be lawfully entitled so to do.

25. UTILITIES

LESSEE shall pay all costs for utility services (whether for installation, service, administration, connection, or maintenance thereof) used by LESSEE at or upon the Premises with no responsibility or expense accruing or inuring to LESSOR, including all permits, licenses or authorizations necessary in connection therewith. Such payments by LESSEE shall be made directly to the utility supplier or service provider, except that if such utilities should be supplied by the LESSOR, then in this event, LESSEE will pay those costs to LESSOR within thirty (30) days after receipt of LESSOR'S invoice. LESSOR agrees that any such costs invoiced to LESSEE will be based on the rates charged to LESSOR by utility supplier, plus reasonable capital and administrative recovery costs.

Unless otherwise agreed upon in writing, if LESSEE requires utilities beyond that currently provided or that are available to be extended to the Premises boundary, LESSEE agrees to pay the full cost and expense associated with the upgrade/extension/installation of all such utilities related to its use of the Premises, and to comply with all provisions for maintaining such utilities.

The LESSOR reserves for itself the right to upgrade, extend, install, maintain and repair all utilities and services on or across the Premises, whether or not such services or utilities are for the benefit of LESSEE. The LESSOR shall take all reasonable care and diligence to protect existing improvements and utilities, and shall avoid to the greatest extent possible any unreasonable interference or interruption to LESSEE's operations.

All electrical, data and communications utilities installed or caused to be installed shall be underground, and no utility services or other cables or wires shall be installed on poles or otherwise above ground. Unless otherwise provided in this Agreement, all utilities and conduits or ducts installed by anyone on the Premises shall be considered fixtures as defined under Section 22, Title to Facilities, Improvements and Fixtures, and shall become the owned property of LESSOR. All utility facilities installations shall meet the requirements of Section 18, Future Alteration and Improvement Standards of this Agreement.

Wastes not legally permitted and authorized for disposal into the storm and/or sanitary drainage

system shall not be discharged, connected or introduced into storm and/or sanitary drains and the storm and/or sanitary drainage system. LESSEE shall take all reasonable precautions to prevent the discharge of material into any drainage system that would create interference with the flow therein, or that would cause a hazard or unlawful contamination thereto. A copy of LESSEE's Stormwater Pollution Prevention Plan and Spill Prevention Control and Countermeasure Plan shall be submitted to the LESSOR upon the LESSOR's request.

26. ASSIGNMENT

With the exception of assignment to a parent or "holding" company or subsidiary, LESSEE shall have no right to assign or delegate any of its rights or duties pursuant to this Agreement without the prior written consent of LESSOR. Any assignment or delegation so made and so permitted shall be subject to all terms, conditions and other provisions of this Agreement. Any attempted assignment or delegation in violation of this provision shall be void and have no force or effect whatsoever.

27. SUBLEASING, PERMITTING AND CONTRACTING

LESSEE shall not sublease, rent or permit any persons, firms or corporations to occupy any part of the Premises, or to provide any type of commercial or non-commercial operation, aviation or otherwise, on the Premises without having first received the prior written consent of LESSOR, granted only under the following conditions:

(a) Any arrangements must be in the form of a written instrument and must be for purposes and uses of the Premises as authorized under this Agreement, and shall be subject to the provisions of this Agreement. LESSEE shall submit a copy of such proposed instrument at the time of requesting consent of LESSOR.

(b) All sublease(s) must comply with Sections 10 and 11 of this Agreement, and will be reviewed for compliance by LESSOR to that end. Any arrangement for the subleasing of space must be in conformance with the use of the Premises outlined in this Agreement, unless expressly approved otherwise in writing by LESSOR.

(c) LESSEE must keep current records on file and available for LESSOR's inspection, that describes the nature and document the legitimacy of the sublessee's business, including all current municipal, state, or local licenses or permits required for the conduct of sublessee's business.

(d) LESSEE hereby agrees that it shall incorporate language acceptable to LESSOR into all of its sublease agreements, placing on any sublessee and that sublessee's affiliated entities, customers, employees, invitees, contractors, and subcontractors similar restrictions, as may be appropriate to its approved uses as those which bind LESSEE and its use of the facility

through this Agreement. LESSEE shall also incorporate and make reference to this Agreement, as may be amended from time to time, to ensure sublessee's operations and conduct are subject to and are in compliance with the terms and conditions of this Agreement, as may be amended from time to time. Any sublease agreement shall explicitly state that it is subordinate to this Agreement, and that the sublessee shall never obtain rights in the Premises greater than those held by LESSEE under this Agreement, as amended. Any sublessee shall be specifically subject to eviction from the Premises as a result of termination, cancellation, or expiration of this Agreement, irrespective of sublessee's state of compliance with the terms of its sublease.

(e) LESSEE shall at all times during the term(s) of approved sublease(s), remain responsible to LESSOR for the compliance of its sublessees with the terms and conditions of any approved sublease and with this Agreement. LESSOR may look to LESSEE directly to satisfy any failure of sublessee to comply with these documents.

(f) Consent to one sublease permit or subcontract shall not be deemed consent to any subsequent sublease permit or subcontract. Prior written consent of the LESSOR shall be required for each sublease permit or subcontract executed by the LESSEE.

It is understood and agreed that this Section does not apply to third party hangar space lease/rental arrangements for private use of aircraft storage, and office space related and incidental to the operation and administration thereof, as may be customary in the normal course of business as a commercial hangar operator.

28. LIABILITY INSURANCE

LESSEE shall procure, maintain and carry, at its sole cost, in accordance with and/or until completion of this Agreement all insurance, as required per the amounts as set forth below. Insurance shall be furnished by a company licensed to do business in Kansas.

Insurance certificates shall be issued on a standard ACORD form or such other documentation may be acceptable to LESSOR in its discretion and include the NAIC number of the insuring company. Each insurance company's rating, as shown in the latest Best's Key Rating Guide, shall be no less than A-VII, unless otherwise approved by the LESSOR, or from a Workers' Compensation pool approved by the State of Kansas. Insurance certificates must be received and approved by the LESSOR prior to occupancy. LESSOR retains the right to require changes in the character, coverages and amounts of coverage commensurate with changes in the LESSEE'S use of the Premises.

The failure of LESSOR to reject the LESSEE'S proffered insurance shall not be deemed to constitute an acceptance by the LESSOR of deficient insurance coverage. If the LESSEE fails to procure or maintain any of the specified coverages the LESSOR has the right, but not the

obligation, to secure the coverage and charge the cost to the LESSEE along with a 20% administrative fee.

The LESSEE shall be responsible for determining the types and limits of insurance coverage required by any approved SUBLESSEE. At a minimum, such SUBLESSEE shall carry Workers' Compensation, general liability (minimum of \$1,000,000 per occurrence) and automobile liability (minimum of \$500,000 combined single limit). LESSEE shall require in any approved sublease that the Wichita Airport Authority and the City of Wichita shall be added as primary and non-contributory additional insureds on the SUBLESSEE'S general liability policy.

The requirements, procurement and carrying of the required insurance shall not limit any of the LESSEE's obligations or liability under this Agreement or as a matter of law.

Where "minimum limits" of insurance are specified in this Section, such minimum insurance limits are required and considered by LESSOR to be the lowest insured amounts acceptable under this Agreement. The LESSEE is not limited or restricted whatsoever in securing additional insurance coverage and higher insured limits than those specified herein if, at the LESSEES determination and discretion and commensurate with the type of activity and associated business and operational risk, additional coverage and higher limits are necessary and appropriate.

Insurance shall include the following terms, conditions and minimum limits:

a) WORKERS' COMPENSATION

LESSEE shall maintain Workers' Compensation insurance to cover the statutory requirements of the Workers' Compensation laws of the State of Kansas for its operations on the Premises, and when applicable, to Federal Laws and Voluntary Compensation and Employer's Liability (including occupational disease) coverage.

b) AUTOMOBILE LIABILITY

LESSEE shall maintain automobile insurance, which shall include all owned, non-owned and hired automobiles used on the Premises, and shall have minimum bodily injury and property damage limits as outlined herein.

Combined Single Limit	\$500,000 Each Accident
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c) GENERAL LIABILITY

LESSEE shall maintain General Liability Insurance on an occurrence form. Minimum limits, as outlined herein, shall be:

Annual Aggregate	\$2,000,000
Each Occurrence	\$1,000,000

The Wichita Airport Authority and the City of Wichita shall be added as primary and non-contributory additional insureds.

d) UMBRELLA/EXCESS LIABILITY COVERAGE

The LESSEE shall provide minimum Umbrella/Excess liability limits (excess of all coverages other than Workers' Compensation) of:

Each Occurrence Limit	\$1,000,000
Annual Aggregate Limit	\$1,000,000

The Wichita Airport Authority and the City of Wichita shall be added as primary and non-contributory additional insureds covered under this umbrella/excess liability coverage.

e) BUILDER'S RISK COVERAGE

The LESSEE shall provide builder's risk coverage during any facility construction sufficient to cover the requirements set out in Section 17, Design and Construction.

LESSEE agrees that in the event of future changes in the law or upon notice by the LESSOR, the minimum levels of insurance required by this Section may be increased within the bounds of commercial reasonableness.

LESSEE agrees, prior to the commencement of the Agreement, to provide LESSOR with copies of certificates, and if requested, of all policies evidencing that such insurance is in full force and effect, and stating the terms thereof. This Agreement shall not commence until policies of insurance satisfactory to LESSOR are supplied by LESSEE. LESSEE shall provide LESSOR undated certificates of insurance the earlier of annually, or upon renewal, which certificate shall demonstrate the coverage required in this Section for the ensuing 12 month period. Failure to maintain satisfactory insurance policies in force shall constitute grounds for cancellation of this Agreement as set forth in Section 32, Cancellation by Lessor.

LESSEE shall be solely responsible for obtaining insurance policies that provide coverage for losses of LESSEE-owned property. Authority shall not be required to provide such insurance coverage or be responsible for payment of LESSEE's cost for such insurance.

29. ALL RISK PROPERTY INSURANCE

LESSEE, at its expense, throughout the term of this Agreement, shall cause the structures, facilities, improvements and fixtures on the Premises to be insured against loss or damage by fire or other casualty equal to the full replacement value thereof and by an all risk coverage policy furnished by a company licensed to do business in Kansas. Such policy shall not exclude, or in the alternative, shall carry full coverage endorsements for damage from tornado, hail, flood, and sewer backup, and shall furnish LESSOR a certificate evidencing such insurance. The proceeds of any payments made under such insurance policy or policies shall be used to rehabilitate or reconstruct the insured facilities, subject to the provisions governing damage or destruction found at Section 49, Damage and Destruction. LESSEE agrees, prior to the commencement of the Agreement, to provide LESSOR with copies of all policies or certificates evidencing that such insurance are in full force and effect, and stating the terms thereof. This Agreement shall not commence until policies of insurance satisfactory to LESSOR are supplied by LESSEE. LESSEE shall provide LESSOR undated certificates of insurance the earlier of annually, or upon renewal, which certificate shall demonstrate the coverage required in this Section for the ensuing 12 month period. Failure to maintain satisfactory insurance policies in force shall constitute grounds for cancellation of this Agreement.

30. SUBROGATION OF INSURANCE

LESSOR hereby waives any and all rights of recovery against LESSEE for or arising out of damage or destruction of the building, or the demised Premises, or any other property of LESSOR, from causes then included under any of its property insurance policies, to the extent such damage or destruction is covered by the proceeds of such policies, whether or not such damage or destruction shall have been caused by the negligence of LESSEE, its agents, servants or employees or otherwise, but only to the extent that its insurance policies then in force permit such waiver without diminution of LESSOR coverage.

LESSEE hereby waives any and all rights of recovery against LESSOR for or arising out of damage to or destruction of any property of LESSEE from causes then included under any of its property insurance policies, to the extent such damage or destruction is covered by the proceeds of said policies, whether or not such damage or destruction shall have been caused by the

negligence of LESSOR, its agents, servants or employees or otherwise, but only to the extent that its insurance policies then in force permit such waiver.

31. LOSS OF PERSONAL PROPERTY

Any personal property of LESSEE or others placed in or upon the Premises shall be at the sole risk of the LESSEE, and LESSOR shall not be responsible or liable for any loss, damage and replacement thereto, regardless of the cause of such loss or damage, and the LESSEE waives all rights of subrogation against recovery from the LESSOR for such loss or damage unless such loss or damage is the result of the LESSOR's negligence.

32. CANCELLATION BY LESSOR

The LESSOR, in addition to any other rights to which it may be entitled by law or otherwise, may cancel this Agreement by giving LESSEE written notice in the event of default by LESSEE under this Agreement continuing for more than sixty (60) days after the LESSEE's receipt of written notice of such event of default and opportunity to cure from the LESSOR, upon or after the happening of any one of the following events:

- (a) LESSEE shall file a voluntary petition in bankruptcy or that proceedings in bankruptcy shall be instituted against it and LESSEE is thereafter adjudicated bankrupt pursuant to such proceedings;
- (b) A court shall take jurisdiction of LESSEE and its assets pursuant to proceedings brought under the provisions of any Federal reorganization act;
- (c) Receiver of LESSEE's assets shall be appointed;
- (d) LESSEE shall be divested of its estate herein by other operation of law;
- (e) LESSEE shall fail to meet its construction commencement or completion requirements set out in Section 17, Design and Construction.
- (f) LESSEE shall fail to perform, keep and observe any of the obligations, terms, warranties or conditions contained in this Agreement that on the part of LESSEE are to be performed, kept or observed.

If any such condition or default cannot reasonably be corrected within the 60-day period and LESSEE has demonstrated due diligence with respect to curing said default, then, at the LESSOR's sole discretion, such cure period may be extended for consecutive periods of 30 days, as long as diligent progress is made toward cure, with a reasonably foreseeable resolution date. Under such circumstances, default may be treated as cured until cured. Should diligent progress

cease, or the reason for default become apparent as insoluble, then the term shall cease and expire at the end of the 30-day extension then in effect.

Acceptance of rental by LESSOR for any period or periods after a notice of default is issued by LESSOR of any of the obligations, terms, warranties and conditions herein contained to be performed, kept and observed by LESSEE shall not be deemed a waiver of any other right on the part of LESSOR to cancel this Agreement for failure by LESSEE so to perform, keep and observe any of the obligations, terms, warranties, or conditions hereof to be performed, kept and observed. No waiver of default by LESSOR of any of the obligations, terms, warranties or conditions hereof to be performed, kept and observed by LESSEE, shall be construed to be or act as a waiver of any subsequent default of any of the obligations, terms, warranties or conditions herein contained to be performed, kept and observed by LESSEE.

33. CANCELLATION BY LESSEE

The LESSEE, in addition to any other rights to which it may be entitled by law or otherwise, may cancel this Agreement by giving LESSOR written notice in the event of default by LESSOR under this Agreement continuing for more than sixty (60) days after the LESSOR's receipt of written notice of such event of default and opportunity to cure from the LESSEE, upon or after the happening of any one of the following events:

(a) Issuance by any court of competent jurisdiction of a permanent injunction in any way preventing or restraining the use of the Airport or any major part thereof for Airport purposes and the remaining in full force of such permanent injunction for a period of at least one hundred eighty (180) days.

(b) Inability of the LESSEE to use, for a period in excess of one hundred eighty (180) days, the Airport or any part of the facility because of any law, order, rule, regulation or other action or non-action of the Federal Aviation Administration or any other governmental authority, or because of fire, earthquake, other casualties or acts of God or the public enemy.

(c) LESSOR shall fail to perform, keep and observe any of the obligations, terms, warranties or conditions contained in this Agreement that on the part of LESSOR are to be performed, kept or observed:

- i. LESSEE may give LESSOR written notice to correct such condition or cure such default, and if any such condition or default shall continue for sixty (60) days after receipt of such notice by LESSOR, LESSEE may terminate this Agreement and the term hereof shall cease and expire at the end of such sixty (60) days in the same manner and to the same effect as if it were the expiration of the Initial or Option Term, unless such condition or default cannot reasonably be corrected within the 60-day period and

LESSOR has demonstrated due diligence with respect to curing said default, then such cure period may be extended for consecutive periods of 30 days, as long as diligent progress is made toward cure, with a reasonably foreseeable resolution date. Under such circumstances, default may be treated as cured until cured. Should diligent progress cease, or the reason for default become apparent as insoluble, then the term shall cease and expire at the end of the 30-day extension then in effect;

(d) Assumption by the United States Government or any other authorized agency thereof of the operation, control or use of the Airport and the facility herein described, or of any substantial part or parts thereof in such a manner as to substantially restrict the LESSEE for a period of one hundred eighty (180) days from operating on and within the facility.

(e) In the event of destruction of the facilities, improvements, or the demised Premises as more fully described in Section 49, Damage or Destruction.

34. MAINTENANCE AND REPAIR

LESSEE shall maintain and keep in good repair and condition at its sole cost and expense the Premises as follows:

(a) Exterior of structures, and all exterior mechanical systems (heating, ventilation and air conditioning, and associated motors, boilers, chillers and ducting). "Exterior of structures" shall include but is not limited to the roofs, exterior façade and siding, exterior walls, gutters, downspouts, and load bearing structures of the buildings.

(b) The interior of all structures on the Premises including, but not limited to leasehold improvements, glass, paint, ballast and light bulb replacement, doorways, doors, walls, floors, plumbing, electrical, interior mechanical systems (heating, ventilation and air conditioning, and associated motors, boilers, chillers, ducting and filters), decorations and finishes, plumbing fixtures, equipment and furnishings, telephone, communication and data cables, conduit and accessories, piping, motors, signs, and any other repairs as required or necessary to keep all structures on the Premises in proper condition for the conduct of business.

(c) Grading and drainage systems and drains, paving, lighting, parking lots, fencing, streets and roadways within the Premises.

(d) Connection of all utilities including, but not limited to, underground utility lines and connections within the leased Premises, connection and other fees.

(e) From time to time and as often as reasonably required by LESSOR and in accordance with state and local fire codes, conduct appropriate tests of all fire monitoring, alarm and extinguishing equipment, systems and apparatus located on the Premises. Keep in proper functioning order all fire suppression and extinguishing systems and equipment

located on the Premises as required by LESSOR, and in accordance with NFPA, and state and local fire codes.

(f) All janitorial service, landscaping, landscape maintenance and mowing, and daily routine Premises clean-up work and trash removal to keep the Premises in good and tenantable condition throughout the term of this Agreement.

(g) LESSEE shall be responsible for the removal and disposal of garbage, debris, contaminants and any other waste material (whether solid or liquid) arising out of its occupancy of the leased Premises or out of its operation. Such removal shall conform to all governmental requirements and regulations as more fully described herein. Such removal and disposal of garbage, debris, contaminants, or other waste material is understood to include routine clean-up of the Premises. LESSEE shall immediately react and take prompt corrective actions to remove and dispose of any paper, garbage and debris on Premises upon demand of LESSOR. LESSEE shall provide, and screen from public view, suitable covered receptacles for all garbage, trash and other refuse. Piling of boxes, cartons, barrels, pallets or other similar items in an unsightly or unsafe manner on or about the Premises is forbidden.

(h) Should LESSEE fail to perform its upkeep, maintenance and repair responsibilities, LESSOR may, but is not obligated to, perform maintenance and make repairs thereon and thereto which it determines to be necessary, charging the same to the expense of LESSEE upon thirty (30) days prior written notice of its intent to do so; except in case of emergency action taken in order to protect against personal injury or property damage, for which no notice is necessary, plus a twenty percent (20%) administrative fee.

LESSOR shall be responsible for maintenance, repair and replacement of paved surfaces and storm drainage systems on the Airport not within or upon the Premises; however, LESSEE shall be responsible for the repair or replacement of any damaged paved surfaces and/or sub-grade on the Airport that may be caused due to the LESSEE's negligence or intentional misuse, or consent to misuse, of such facilities including but not limited to exceeding the weight bearing capacity limits of the pavements.

35. SNOW AND ICE REMOVAL

LESSEE shall be responsible for all snow and ice removal on the Premises. Aircraft parking ramps and other Air Operations Areas within the Premises shall be maintained to a winter surface condition safe for aircraft operations, and safe for customers and employees moving and working on the ramp. At no time shall LESSEE engage in snow and ice removal beyond the Premises without the prior approval of the LESSOR.

Snow piles, windrows or other accumulations of snow shall not:

- (a) Be closer than twenty five feet from any security fence;
- (b) Block any access gates or controls;
- (c) Block or impede any taxiway or taxi lane;
- (d) Impose an obstruction within the object free area (OFA) of any taxiway or taxi lane;
- (e) Infringe upon, block or interrupt the business of other airport tenant leaseholds.

Snow piles and accumulations requiring removal may be stored on pre-approved/arranged paved or non-paved areas.

Only FAA approved dry and liquid chemicals may be used for de-icing or snow removal on aircraft operating surfaces, as set forth in Advisory Circular 150/5200-30, current edition, or as may be amended, *Airport Winter Operations and Safety*, Section 4-6 *Approved Chemicals*, current edition, or as may be amended.

The use of snow and ice removal contractors may be authorized subject to prior written approval by LESSOR, and subject to acceptable completion of contractor employee training, and other reasonable safety requirements and standards that LESSOR may impose, including but not limited to compliance with Airport Rules and Regulations, and Standard Operating Procedures. All such snow and ice removal contractors shall maintain a general liability insurance policy of not less than \$2,000,000 limit, naming LESSEE, LESSOR and the City of Wichita as additional insureds.

LESSOR shall be responsible for snow and ice removal on paved surfaces of the Airport not within the Premises.

36. LANDSCAPING

LESSEE shall provide and install appropriate landside landscaping and screening, including lawn, shrubbery, trees, bushes, and other plantings and screening on the Premises as a part of the construction of the improvements. All proposed landscaping plans and screening designs shall be submitted to the LESSOR for review and approval, which approval shall not be unreasonably withheld or unduly delayed. Such landscaping shall be in accordance with the Airport's design guidelines in effect at that time, and shall not be installed in such a manner so as to create a wildlife food source, habitat and hazard to aircraft operations. LESSEE agrees to maintain and/or replace such landscaping installations at least seasonally throughout the term of this Agreement or any extension thereof should they fail to survive in a manner aesthetically pleasing to LESSOR, a judgment which is to be exercised with reasonable discretion.

37. EXTERIOR SIGNS AND ADVERTISING

LESSEE agrees that no signs or advertising material shall be erected on the Premises or on any improvement or facility on the Premises unless the design and layout of such signs and advertising material, together with the materials and method of construction of such signs and advertising material, shall have been approved in advance in writing by LESSOR, which approval shall not be unreasonably withheld or unduly delayed.

LESSEE shall not erect, install, operate, nor cause or permit to be erected, installed, or operated upon any non-leased Premises of the Airport property, any signs, banners, or other similar devices for its own business, or the business of others. This provision shall not have the effect of limiting or restricting LESSEE's right to enter into an agreement with LESSOR'S authorized and permitted marketing, advertising or signage agency for the display of informational, marketing or advertising media at approved designated locations on Airport property.

LESSEE shall have not right to erect or install, or cause or consent to be erected or installed any commercial outdoor advertising by an outdoor commercial advertising agency.

38. PORTABLE STORAGE CONTAINERS/STRUCTURES

Unless specifically approved in writing, and under conditions specified by LESSOR, LESSEE shall not place or allow to be placed upon Premises, any type of portable storage container, trailer, unit, box, or barrel which is used to store merchandise and/or equipment and supplies outside of an enclosed permanent building or structure, which does not qualify as a building or structure under Title 18 of the Code of the City of Wichita. Unless specifically approved, and under conditions specified by LESSOR, LESSEE shall not place or allow to be placed upon Premises, any type of portable or temporary structure, trailer, mobile home, modular structure or device.

LESSOR will not unreasonably withhold approval of such container(s) and structure(s) if such is of a temporary nature for the purpose of supporting construction, alteration or improvement activity, or other approved project.

39. GRANTING OF EASEMENTS

LESSEE shall not (i) grant easements, licenses and other rights or privileges in the nature of easements with respect to the land, or (ii) release existing easements, licenses, right-of-ways and other rights or privileges, and LESSEE agrees, to the extent that it may legally do so, that it will

execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by LESSEE of (a) a copy of the instrument of grant or release or of the agreement or other arrangement, and (b) a written application signed by the LESSOR requesting execution and delivery of such instrument, provided that, such grant or release is not detrimental to the proper conduct of the business of LESSEE, and such grant or release will not impair the effective use or interfere with the efficient and economical operation of the facilities. LESSEE shall not request any payment or other consideration for such execution, the same being amply supported by the promises exchanged in this Agreement. Any payments or other consideration received by LESSOR for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of LESSOR. The obligations of this Section shall survive termination of this Agreement.

40. RULES AND REGULATIONS

LESSEE, its agents and employees, shall be subject to any and all applicable rules, regulations, Airport Standard Operating Procedures, orders and restrictions which are now in force or which may hereafter be adopted by the Wichita Airport Authority or the City of Wichita, Kansas, in respect to the operation of the Airport; and shall also be subject to any and all applicable laws, statutes, rules, regulations or orders of any governmental authority, federal or state, lawfully exercising authority over the Wichita Mid-Continent Airport or LESSEE's operations conducted hereunder.

LESSOR shall not be liable to LESSEE for any diminution or deprivation of its rights hereunder on account of the exercise of any such authority as in this Section provided, nor shall LESSEE be entitled to terminate this Agreement by reason thereof unless exercise of such authority shall so interfere with LESSEE's exercise of the rights hereunder as to constitute a termination of this Agreement by operation of law in accordance with the laws of the State of Kansas, or as set out in Section 33, Cancellation By Lessee.

41. MINIMUM STANDARDS FOR AERONAUTICAL ACTIVITIES

LESSOR may, with due notice, from time-to-time, adopt and enforce reasonable Minimum Standards for Aeronautical Activities on the Airport, and amendments thereto, and the LESSEE agrees to observe and comply with the same. However, any minimum standards which may be developed and promulgated in the future and during the Initial Term of this Agreement shall not have the effect of imposing upon LESSEE the requirements of additional facilities, services or standards beyond that set forth in this Agreement.

42. AIRPORT SECURITY PROGRAM COMPLIANCE

LESSEE must obtain Airport Security Identification and Access Media (I.D. Media) for its employees, subcontractors, suppliers, agents, and representatives requiring access to the sterile areas, secured Air Operations Area (AOA), and Security Identification Display Area (SIDA), or other secured areas as may be identified in the Airport Security Program, and pay any related costs associated with this privileges as set forth under this Section. With respect to the issuance, maintenance, and administration of I.D. Media, the LESSEE shall pay or cause to be paid to the LESSOR all charges as may be established from time to time by the LESSOR. Such costs may include, but are not limited to: (i) the initial issuance of I.D. Media; (ii) the replacement of lost or stolen I.D. Media; (iii) administrative costs with respect to those I.D. Media not returned to the LESSOR.

Said I.D. Media will be valid as set forth under the Airport Security Program, and must be returned to the Airport Public Safety Division, at 2193 Air Cargo Road within twenty-four (24) hours after expiration, suspension, and/or termination of this Agreement. Said I.D. Media will be valid for no longer than the period of this Agreement. The LESSEE shall be responsible for requesting the issuance of I.D. Media to employees or other authorized representatives of the LESSEE who require access to secured areas on the Airport due to operational need and necessity. In addition, LESSEE shall be responsible for the immediate reporting of all lost or stolen I.D. Media and the immediate return of the I.D. Media of LESSEE's personnel transferred from the Airport, or separated from the employ of LESSEE.

LESSEE warrants that it will at all times maintain the integrity of the Airport Security Program and comply with all applicable regulations of the Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA"), 49 CFR Parts 1500, 1544, 1546, 1548, and 1550 as amended or promulgated, and that it will always maintain the security of the Airport, Premises, and/or any AOA access for which LESSEE is responsible. The LESSOR shall have the right to require the LESSEE to conduct background investigations and to furnish certain data on such employees or other persons before the issuance of I.D. Media, which data may include the fingerprinting of any and all of its employees, subcontractors, suppliers, agents, and/or representatives. LESSEE also hereby agrees that it shall be responsible for any and all of the actions on the Premises of its employees, subcontractors, suppliers, agents, customers, invitees, and/or representatives and shall provide any and all necessary escorts, as outlined in the Airport Security Program. LESSEE hereby agrees that it will immediately implement any and all security changes that are directed either directly or indirectly by the TSA, FAA, or LESSOR. LESSEE further agrees to correct any security deficiency or other deficiency as may be determined as such by the LESSOR, the Department of Transportation ("DOT"), the FAA, or the TSA, or any other federal or state agency with jurisdiction. In the event LESSEE fails to remedy

any such deficiency, the LESSOR may do so at the sole cost and expense of LESSEE. The LESSOR reserves the right to take whatever action is necessary to correct and remedy any security deficiency or other deficiency. When the LESSOR takes actions to remedy deficiencies of any kind, it shall be done in a reasonable and cost-conscious manner.

Should LESSEE, its employees, subcontractors, suppliers, agents, customers, invitees, and/or representatives cause any security violations, and should LESSOR be cited for a civil fine or penalty for such security violation, LESSEE agrees to reimburse LESSOR for any monetary civil fine or penalty which may be imposed on LESSOR. However, nothing herein shall prevent the LESSEE from contesting the legality, validity or application of such fine or penalty to the full extent LESSEE may be lawfully entitled, nor require LESSOR to pursue such a contest on LESSEE'S behalf. LESSEE may have I.D. Media/access privileges immediately suspended and/or revoked by LESSOR for failure to adhere to the Airport Security Program, or for failure to return all I.D. Media within the time-frames specified herein.

The LESSEE agrees that information concerning the location, type, nature, capabilities, application and use of the LESSOR's security system is considered Sensitive Security Information (SSI) as defined by TSR 1520, and shall restrict the distribution, disclosure and availability of SSI only to persons with a need to know. All requests for SSI by persons not directly employed by the LESSEE, and deemed to have a need to know shall be referred to LESSOR for consideration and determination of whether such information is legal and appropriate for dissemination.

Before the LESSEE shall permit any employee, subcontractor, supplier, agents, customer, invitee, and/or representative to operate a motor vehicle of any kind or type on the AOA of Mid-Continent Airport (unless such employee is escorted by a LESSOR-approved escort), the LESSEE shall ensure that all such vehicle operators have completed required AOA access and driver training, possess a current, valid, and appropriate Kansas driver's license, appropriate Airport issued I.D. Media, and a Vehicle Ramp Permit. LESSEE company vehicles prominently displaying a permanent company name and/or logo on vehicles and equipment are excluded from the requirement of displaying a Vehicle Ramp Permit.

The LESSEE agrees that its vehicles, cargo, goods, and other personal property are subject to being inspected and searched when entering, exiting and while on the AOA.

The LESSEE agrees that it shall be responsible for the installation, operation, maintenance, and monitoring of all vehicle and/or pedestrian access gates and doors and security access controls on the Premises with access from non-secured areas to the secured AOA. All such access gates and controls require the prior written approval of the LESSOR and shall be in compliance at all times with the Airport Security Program.

43. ENCROACHERS, TRESSPASSERS AND OTHER THIRD PARTY HAZARDS

LESSEE shall lawfully remove, or cause to be removed by LESSOR or other official law enforcement agency, all encroachers, trespassers and other third parties violating laws of the federal, state or local government, or who are not on the Premises for legitimate purposes.

44. FIRE EQUIPMENT AND SYSTEMS

LESSEE shall furnish and maintain on the Premises sufficient smoke detectors, portable fire extinguishing equipment and sufficient fire suppression as maybe required by city code and insurance underwriters.

45. ENVIRONMENTAL ASSESSMENT

A “Phase I” and “Phase-II” environmental site assessment shall be conducted, at LESSEE’s sole expense, by an environmental consultant satisfactory to the LESSOR within ninety (90) days following the cancellation or termination of this Agreement, and a copy of these reports shall be promptly provided to the LESSOR. The environmental site assessment results shall be compared to the original background levels established at the commencement of this Agreement. If any contamination of the property has occurred through LESSEE’s fault or negligence, or the fault or negligence of a LESSEE supplier, agent or contractor, then LESSEE shall be required to re-establish background levels to the pre-existing levels, in a timely manner and acceptable to LESSOR.

Nothing in this Section shall be construed to hold LESSEE liable in any way for any environmental impact or release of Hazardous Substances affecting the Premises that occurs by reason of the mitigation, release, discharge or flow from other verifiable and documented off-site contamination sources that are not attributable to the LESSEE’s activity on the Premises. The burden of proof shall rest exclusively with the LESSEE to demonstrate that any such environmental impacts affecting the Premises are not attributable to the LESSEE’s activity on the Premises.

46. ENVIRONMENTAL COVENANTS

(a) The LESSEE hereby covenants that it will not cause or permit any Hazardous Substances to be placed, held, located, or disposed of, on, under or at the Premises, other than in the ordinary course of business and in compliance with all applicable laws.

(b) In furtherance and not in limitation of any indemnity elsewhere provided in this Agreement to the LESSOR, the LESSEE hereby agrees to indemnify and hold harmless the LESSOR and the City of Wichita from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the LESSOR or the City of Wichita by any person or entity for or arising out of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Premises during any term of this lease of any Substance (hazardous or otherwise) regulated by any applicable statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning, any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws), if such presence, escape, seepage, leakage, spillage, discharge, emission was caused by the LESSEE, or persons within the control of the LESSEE, its officers, employees, agents, contractors, invitees and/or licensees, or if such Substance (hazardous or otherwise) was owned by, or located on the Premises by, the LESSEE (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release).

(c) If, during the term of this Agreement, the LESSEE receives any notice of (i) the happening of any event involving the use (other than in the ordinary course of business and in compliance with all applicable laws), spill, release, leak, seepage, discharge or cleanup of any Substance (hazardous or otherwise) on the Premises or in connection with the LESSEE's operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health, or safety matter affecting the LESSEE from any persons or entity (including, without limitation, the United States Environmental Protection Agency (the "EPA") or the Kansas Department of Health and Environment ("KDHE")), the LESSEE shall immediately notify the LESSOR in writing of said notice.

(d) The LESSOR shall have the right, but not the obligation, and without limitation of the LESSOR's other rights under this Agreement, to enter the Premises or to take such other actions as deemed necessary or advisable to inspect, clean up, remove, resolve or minimize the impact of, or to otherwise deal with, any Substance (hazardous or otherwise) or environmental complaint following receipt of any notice from any person, including, without limitation, the EPA or KDHE, asserting the existence of any Substance (hazardous or otherwise) or an environmental complaint pertaining to the Premises or any part thereof which, if true, could result in an order,

suit or other action against the LESSEE and/or which, in the reasonable judgment of the LESSOR, could jeopardize its interests under this Agreement. If such conditions are caused by circumstances within the control of the LESSEE or if such circumstances result from a Substance (hazardous or otherwise) owned by, or located on the Premises by, the LESSEE (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release) all reasonable costs and expenses incurred by the LESSOR in the exercise of any such rights shall be payable by the LESSEE, within 15 days of written demand by Landlord.

(e) If an event of default shall have occurred and be continuing, the LESSEE at the request of the LESSOR shall periodically perform, at the LESSEE's expense, an environmental audit and, if reasonably deemed necessary by the LESSOR, an environmental risk assessment, of the Premises, or the hazardous waste management practices and/or hazardous waste disposal sites used by the LESSEE with respect to the Premises. Such audits and/or risk assessments shall be conducted by an environmental consultant satisfactory to the LESSOR, and all environmental audits and environmental risk assessments must be reasonable satisfactory to the LESSOR. Should the LESSEE fail to perform any such environmental audit or risk assessment within 90 days of the written request of the LESSOR, the LESSOR shall have the right, but not the obligation, to retain an environmental consultant to perform any such environmental audit or risk assessment. All costs and expenses incurred by the LESSOR in the exercise of such rights shall be payable by the LESSEE on demand.

(f) Neither LESSEE nor LESSOR shall install or permit to be installed in the Premises friable asbestos, electrical equipment containing polychlorinated biphenyls (PCBs), or any Substance containing asbestos and deemed hazardous by federal or state regulations applicable to the Premises and respecting such material. The LESSEE shall defend, indemnify, and save the LESSOR and the City of Wichita harmless from all costs and expenses (including consequential damages) asserted or proven against the LESSEE by any person, as a result of the presence of said Substances, and the costs of any removal or compliance with such regulations, if said Substance was installed by the LESSEE, or persons within its control.

(g) Subject to any limitations or restrictions imposed by the Kansas Budget Law or Cash Basis Law, the LESSOR hereby agrees to indemnify and hold harmless the LESSEE from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the LESSEE by any person or entity for, arising out of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Premises during the term of this Agreement and the period prior to the term of this Agreement of any Substance (hazardous or otherwise) (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability, including strict liability, or

standards of conduct concerning any Hazardous Substance) unless such presence, escape, seepage, leakage, spillage, discharge, emission or release was caused by the LESSEE, or persons within the control of the LESSEE, its officers, employees, agents, invitees and/or licensees, or if such Substance (hazardous or otherwise) was owned by, or placed upon the Premises by, the LESSEE (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release except to the extent such was caused by the LESSOR).

Environmental compliance shall not be limited to those items noted within this lease but shall include any current or future federal, state, or local law, statute or regulation, that may be required of LESSEE's operation (storage or use of Substances (hazardous or otherwise), activities of LESSEE's employees or contracted vendor's etc.). Tenant shall provide LESSOR upon request copies of any plan, training program, training records, material safety data sheet or any other documentation required by said laws.

(h) The provisions of this article shall survive the termination of this Agreement.

47. IMPOSITIONS

LESSEE shall, during the life of this Agreement, bear, pay and discharge, before the delinquency thereof, any and all impositions, including all lawful taxes and assessments imposed on the Premises, personal property thereon, or LESSEE's possessory right therein. In the event any impositions may be lawfully paid in installments, LESSEE shall be required to pay only such installments thereof as become due and payable during the life of this Agreement as and when the same become due and payable. LESSOR covenants that without LESSEE's written consent it will not, unless required by law, take any action intended to cause or induce the levying or assessment of any imposition (other than special assessments levied on account of special benefits or other impositions for benefits or services uniformly imposed) which LESSEE would be required to pay under this Section and that should any such levy or assessment be threatened or occur LESSOR shall, at LESSEE's request, fully cooperate with LESSEE in all reasonable ways to prevent any such levy or assessment. Nothing herein contained shall prevent LESSEE from contesting the legality, validity, or application of any such tax or assessment to the full extent LESSEE may be lawfully entitled to do so.

48. INDEMNITY

LESSEE, shall protect, defend and hold LESSOR and the City of Wichita and its officers, agents and employees completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not

limited to attorney fees, court cost and expert fees), of any nature whatsoever arising out of or incident to this Agreement and/or the use or occupancy of the Premises or the acts or omissions of LESSEE's officers, agents, employees, contractors, subcontractors, licensees or invitees, regardless of where the injury, death or damage may occur, except to the extent such injury, death or damage is caused by the negligence of LESSOR. The LESSOR shall give to LESSEE reasonable notice of any such claims or actions.

LESSOR shall protect, defend and hold LESSEE, its officers, agents and employees completely harmless from and against all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury to or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorney fees, court costs and expert fees), of any nature whatsoever arising out of or incident to this agreement and/or the use or occupancy of the Premises or the acts of omissions of LESSOR's officers, agents, employees, contractors, subcontractors, licensees or invitees, regardless of where the injury, death or damage is caused by the negligence of LESSEE. The LESSEE shall give LESSOR reasonable notice of any such claims or actions.

The provisions of this Section shall survive the expiration or termination of this Agreement to the extent that they relate to liabilities, losses, suits, claims, judgments, fines or demands arising from or incident to events occurring during LESSEE'S occupancy of the Premises. The LESSEE shall use counsel reasonably acceptable to LESSOR in carrying out its obligations in this Section.

49. DAMAGE OR DESTRUCTION

In the event that facilities or improvements on the Premises are damaged or destroyed in whole or in part by fire, lightning or any other peril or other casualty during the term of this Agreement, this Agreement shall remain in full force and effect and LESSEE shall proceed with due diligence to repair, restore, rebuild or replace said damaged or destroyed property or parts thereof to as good a condition as all affected properties were in immediately prior to such damage or destruction, subject to such alterations as LESSEE may elect to make and are permitted in this Agreement. All proceeds from the insurance policies related to such damage or destruction shall be applied to cover the cost of such repairs or restoration.

In the event the improvements are damaged or destroyed in whole or in part by fire, lightning or any other peril or casualty not resulting in whole or in part from the actions of the LESSEE during the term of this Agreement, and such damage, destruction or loss exceeds fifty five percent (55%) of the value of the property as it existed prior to the casualty loss, LESSEE shall have the election, indicated by written notice given to LESSOR within 180 days after the occurrence of such event, not to repair, restore, rebuild or replace the improvements. Upon such election by LESSEE, this Agreement shall be terminated effective as of the date such notice is

given by LESSEE, and neither party shall have any further rights or obligations pursuant to this Agreement other than LESSEE'S obligation to satisfy damages arising from any negligent or intentional action of itself, its employees, agents or invitees to the extent not covered by insurance proceeds. All of the insurance proceeds shall be paid to LESSEE and LESSOR in pro-rata distributions as their interests may appear based upon the fair market value of each party's interest at the time the proceeds are received. Where allowed by the insurance policy, insurance proceeds shall first be applied to removal of damaged improvements from the Premises before such distribution.

50. CONDEMNATION

If, during the term, title to, or the temporary use of, all or any part of the Premises shall be condemned by any authority exercising the power of eminent domain, LESSEE shall, within fifteen (15) days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify LESSOR in writing as to the nature and extent of such condemnation and whether it is practicable for LESSEE to acquire or construct substitute improvements, or whether LESSEE shall elect to terminate this lease.

If LESSEE shall determine that such substitution is practicable and desirable and LESSOR shall agree thereto, LESSEE shall forthwith proceed with and complete with reasonable dispatch the acquisition or construction of such substitute improvements. In such case, any net proceeds received from any award or awards with respect to the Premises or any part thereof made in such condemnation or eminent domain proceeds shall be used and applied for the purpose of paying the cost of such substitution. Any proceeds not required for such costs shall be distributed to the parties in pro-rata distributions as their interests may appear based upon Agreement term remaining and the fair market value of each party's interest at the time the proceeds are received.

If LESSEE shall determine that it is not practicable and desirable to acquire or construct substitute improvements, any net proceeds shall be distributed to the parties in pro-rata distributions as their interests may appear based upon the Agreement term remaining, and the fair market value of each party's interest at the time the proceeds are received.

LESSOR shall cooperate fully with LESSEE in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Premises or any part thereof. In no event will LESSEE or LESSOR voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Premises without the mutual agreement and written consent of the other party to this Agreement.

51. MODIFICATIONS FOR GRANTING FAA FUNDS

In the event that the LESSOR determines the Federal Aviation Administration requirements call for modifications or changes to this Agreement as a condition precedent to granting of funds for the improvement of the Airport, these modifications or changes shall supersede this Agreement and LESSEE agrees to consent to such amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may be reasonably required by the LESSOR to fully comply with federal grant assurances and directives and to obtain Federal Aviation Administration grants-in-aid, provided that no such changes shall materially alter the rights or obligations of LESSEE hereunder.

52. NONDISCRIMINATION

The LESSEE agrees that it will not discriminate or permit discrimination against any person on the basis of race, color, sex, religion, disability, age (except where age is a bona fide occupational qualification), national origin or ancestry in its operations or services, and its use or occupancy of property under this Agreement. The LESSEE agrees to comply with all applicable provisions of federal and state laws, regulations, or executive orders prohibiting discriminatory conduct.

53. GENERAL PROVISIONS

Facility Development. LESSOR reserves the right to further develop or improve the landing area or any other area, building or other improvement within the present or future boundaries of Airport as it sees fit in its sole judgment regardless of the desires or view of LESSEE and without interference or hindrance by LESSEE. Further, LESSOR retains the absolute right to maintain, repair, develop and expand or replace the terminal building, utilities, ramps, taxiways, runways, streets, roadways, sidewalks, any other airport facility, airport improvement or airport property free from any and all liability to LESSEE for loss of business or damage of any nature whatsoever as may be occasioned during or because of the performance of such maintenance, repair, development, expansion or replacement.

Maintenance, Repair, Direction and Control. LESSOR reserves the right, but is not obligated to exercise the right, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of LESSEE in this regard. These areas will include, but are not limited to, those areas which are necessary to serve the aeronautical users of the Airport, except that LESSOR will not be obligated to maintain and keep in repair such areas of the Airport as may be leased to or under the control of Airport tenants, whether such area serves aeronautical users or otherwise.

Operation of Airport by the United States of America. This Agreement and all the provisions hereof will be subject to whatever right the United States of America now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.

14 CFR Part 77 of Federal Aviation Regulations. LESSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building, structure, or attachment thereto is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises. LESSEE by accepting this Agreement expressly agrees for itself, its successors and assigns, that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises which will exceed such maximum height as may be stipulated by LESSOR. It is understood and agreed that applicable laws, codes, regulations or agreements concerning height restrictions will govern the maximum height to be stipulated by LESSOR. In the event the aforesaid covenants are breached, LESSOR reserves the right to enter upon the Premises and to remove the offending structure or object, and cut down the offending tree, all of which will be at the expense of LESSEE and without liability to LESSOR.

Airspace. There is hereby reserved to LESSOR, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight will include the right to cause or allow in said airspace, any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport. No liability on the part of LESSOR will result from the exercise of this right.

Easement for Flight. LESSEE releases LESSOR from any present or future liability whatsoever and covenants not to sue LESSOR for damages or any other relief based directly or indirectly upon noise, light, vibrations, smoke, fumes, odors, air currents, electronic or other emissions occurring as a result of aviation or airport related operations at or otherwise associated with the Airport. This release and covenant includes but is not limited to claims for damages for physical or emotional injuries, discomfort, inconvenience, property damage, death, interference with use and enjoyment of property, nuisance, or inverse condemnation or for injunctive or other extraordinary or equitable relief. It is further agreed that LESSOR shall have no duty to avoid or mitigate such damages by, without limitation, setting aside or condemning buffer lands, rerouting air traffic, erecting sound or other barriers, establishing curfews, noise or other regulations, relocating airport facilities or operations or taking other measures, except to the extent, if any, that such actions are validly required by government authority. LESSOR reserves these rights from the Premises an easement for flight of aircraft in or adjacent to the airspace above the

Premises and for the existence and imposition over, on and upon said Premises of noise, light, vibrations, smoke, fumes, odors, air currents, electronic or other emissions, discomfort, inconvenience, interference with use and enjoyment, and any consequent reduction in market value which may occur directly or indirectly as a result of aviation, airport or airport-related operations at or otherwise associated with use of the Airport. LESSEE accepts the Premises subject to the risks and activities hereinabove described.

Airport Hazards. LESSEE by accepting this Agreement agrees for itself, its successors and assignees, that it will not make use of the leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event this Agreement term is breached, LESSOR reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of LESSEE without liability to LESSOR of any kind.

Airport Rules and Regulations, Policies, and Standard Operating Procedures. LESSOR will have the right to adopt, amend and enforce reasonable airport rules and regulations, policies and standard operating procedures with respect to use of and the conduct and operation of the Airport, its buildings and facilities or any improvements within the present or future boundaries of the Airport, which LESSEE agrees to observe and obey.

Federal Aviation Administration Requirements. LESSOR and LESSEE agree that the requirements of the Federal Aviation Administration (FAA) set out below are approved by both parties, and if applicable, LESSEE agrees to comply with all FAA requirements with respect to its operations, use of the Airport and this Agreement:

(a) The LESSEE, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained or otherwise operated on said property described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(b) The LESSEE, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to

discrimination, (3) that the LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) The LESSEE assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The LESSEE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The LESSEE assures that it will require that its covered suborganizations provide assurances to the LESSEE that they similarly will undertake affirmative action programs, and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

(d) It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

(e) LESSEE agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, that LESSEE may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

(f) LESSOR reserves the right (but shall not be obligated to LESSEE) to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of LESSEE in this regard.

(g) LESSOR reserves the right further to develop or improve the landing area and all publicly-owned air navigation facilities of the airport as it sees fit, regardless of the desires or views of LESSEE, and without interference or hindrance.

(h) LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of LESSOR, would limit the usefulness of the airport or constitute a hazard to aircraft.

(i) During time of war or national emergency LESSOR shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the airport. If any such agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.

(j) It is understood and agreed that the rights granted by this agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the airport.

(k) There is hereby reserved to LESSOR, its successors and assigns, for the use and

benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the air space above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on or about the airport.

(l) This Agreement shall become subordinate to provisions of any existing or future agreement between the LESSOR and the United States of America or any agency thereof relative to the operation, development or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

Subordination to Agreements with the U.S. Government. This Agreement is subject and subordinate to the provisions of any agreements heretofore or hereafter made between LESSOR and the United States Government relative to the operation or maintenance of Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to LESSOR for Airport purposes, or the expenditure of federal funds for the improvement or development of Airport, including the expenditure of federal funds for the development of Airport in accordance with the provisions of the Federal Aviation Act of 1958, as it has been amended from time to time. LESSOR covenants that it has no existing agreements with the United States Government in conflict with the express provisions hereof.

Non-Waiver of Rights. No waiver or default by either party of any of the terms, warranties, covenants and conditions hereof to be performed, kept and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, warranties, covenants or conditions herein contained, to be performed, kept and observed by the other party.

Notices. Notices required herein may be given by registered, certified, or express mail, and shall be deemed served on the date such notice is deposited in the United States Mail, or by prepaid private courier in the continental United States. Either party shall have the right, by giving written notice to the other, to change the address at which its notices are to be received.

Until any such change is made, notices to LESSOR shall be delivered as follows:

Wichita Airport Authority
Wichita Mid-Continent Airport
2173 Air Cargo Road
Wichita, Kansas 67209

Until any such change is made, notices to LESSEE shall be delivered as follows:

Fugate Aviation, Inc.
208 S. Maize Road
Wichita, Kansas 67209

Captions. The captions/headings of the Sections of this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provisions of this Agreement, and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Severability and Invalid Provisions. In the event any term, covenant, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such term, covenant, condition or provision shall in no way affect any other term, covenant, condition or provision herein contained; provided, however, that the invalidity of any such term, covenant, condition or provision does not materially prejudice either the LESSOR or the LESSEE in their respective rights and obligations contained in the valid terms, covenants, conditions or provisions in this agreement.

Waiver of Claims. LESSEE hereby waives any claim against LESSOR and its officers or employees for loss of anticipated profits, consequential or incidental damages, or claim for attorney fees caused by or resulting any suit or proceedings directly or indirectly attacking the validity of Agreement or any part thereof, or the manner in which it is executed or performed, or by any judgment or award in any legal proceeding declaring this Agreement null, void or voidable, or delaying the same of any part thereof, from being carried out. This waiver extends to all claims, whether the supporting legal theory lies in common law or has a statutory basis.

Incorporation of Exhibits. All exhibits referred to in this Agreement are intended to be and are hereby specifically made a part of this Agreement.

Incorporation of Required Provisions. The parties incorporate in this Agreement by this reference all provisions lawfully required to be contained herein by any governmental body or agency.

Non-Liability of Agents and Employees. No member, officer, agent or employee of either party to this Agreement shall be charged personally, or held contractually liable by or to the other party under the terms or provisions of this Agreement, or because of any breach thereof or because of its or their execution or attempted execution.

Successors and Assigns Bound. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto where permitted by this Agreement.

Time of Essence. Time is of the essence in this Agreement.

Relationship of the Parties. It is understood LESSEE is not in any way or for any purpose a partner or joint venturer with or an agent of LESSOR. LESSEE shall act as an independent contractor in the performance of its duties pursuant to this Agreement.

Interpretation. LESSOR and LESSEE hereby agree that this Agreement shall not be construed or interpreted in favor of either party on the basis of preparation.

Kansas Laws to Govern. This Agreement and the terms and conditions herein contained shall at all times be governed, interpreted and construed under and in accordance with the laws of the State of Kansas, and venue for resolution of any issue pertaining to this Agreement shall be in Sedgwick County, Kansas.

54. THIRD PARTY RIGHTS

It is agreed between the parties that it is not intended by any of the provisions of this Agreement to create for the public or any member thereof the status of a third-party beneficiary, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

55. QUIET ENJOYMENT

LESSOR agrees that, on payment of the rentals and fees and performance of the terms, covenants, conditions and agreements on the part of LESSEE to be performed in this Agreement, LESSEE will have the right to peaceably occupy and enjoy the Premises, subject however, to the GENERAL PROVISIONS contained in Section 53.

56. HOLD OVER

In the event LESSEE holds over the lease of the Premises, any rights granted after expiration of this Agreement without any written renewal of it shall not be deemed to operate as a renewal or extension of this Agreement, but shall only create a month-to-month arrangement, which may be terminated within thirty (30) days notice by LESSOR or LESSEE.

57. SURRENDER OF POSSESSION AND RESTORATION

LESSEE shall yield and deliver to LESSOR possession of the Premises at the expiration or termination of this Agreement in good condition in accordance with LESSEE's obligations in this Agreement, except for reasonable wear and tear, or fire or other casualty for which full insurance compensation has been paid as agreed. LESSEE shall, at its expense, deliver the Premises in good order and condition, including: (1) cleaning and hauling away all supplies and trash; (2) removing by legal means all materials and Substances classified as hazardous; (3) leaving in operating condition all bulbs and ballasts; (4) replacing all broken glass, (5) remove all computer network cable, and (6) return to LESSOR all keys to all doors and gates.

LESSEE, at LESSEE's expense, shall remove during the Term of the Agreement or at its expiration all non-attached equipment and personal property placed by LESSEE on or about the Premises herein leased, subject to LESSEE's repairing any damage thereto caused by such removal and subject to any valid lien which LESSOR may have on that property for unpaid rents, expenses or fees.

In the event LESSEE does not remove all of its equipment and personal property within thirty (30) calendar days after the termination of this Agreement, any remaining property shall be considered abandoned and LESSOR may dispose of said property without any further responsibility or liability to LESSEE. The net disposal costs of such property shall be the financial obligation of LESSEE.

58. INTENTION OF PARTIES

This Agreement is intended solely for the benefit of LESSOR and LESSEE and is not intended to benefit, either directly or indirectly, any third party or member(s) of the public at large. Any work done or inspection of the Premises performed by LESSOR is solely for the benefit of LESSOR and LESSEE.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship, between the parties hereto. Further, non-parties to this Agreement may not maintain a suit for personal injuries or property damage pursuant to the terms or provisions of the Agreement. The parties shall understand and agree that neither the method of payment, nor any other provision contained herein, nor any act(s) of the parties hereto creates a relationship other than the relationship of the LESSOR and the LESSEE.

59. ENTIRE AGREEMENT

The parties understand and agree that this instrument contains the entire Agreement between them. The parties hereto further understand and agree that the other party and its agents have made no representations or promises with respect to the Agreement or the making or entry into this Agreement, except as expressed in this Agreement, and that no claim or liability or cause for termination shall be asserted by either party against the other and such party shall not be liable by reason of, the making of any representations or promises not expressly stated in this Agreement, any other written or oral agreement with the other being expressly waived.

The individuals executing this Agreement personally warrant that they have full authority to execute this Agreement on behalf of the entity for which they are acting herein.

The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatever competent advice and counsel deemed necessary for them to form a full and complete understanding of all rights and obligations herein.

60. AMENDMENT

This Agreement constitutes the entire Agreement between the parties for the lease of Premises set forth and identified under Section 1. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

61. APPROVAL, CONSENT, DIRECTION OR DESIGNATION BY LESSOR

Wherever under this Agreement, approvals, consents, directions, or designations are required or permitted, such approvals, consents, directions, or designations required or permitted under this Agreement shall be performed by the Director of Airports, or his/her authorized representative. Approvals, consents, directions, or designations made at any time by the Director of Airports, and from time to time, may be withdrawn or modified by notice from LESSOR to LESSEE.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

ATTEST:

THE WICHITA AIRPORT AUTHORITY
WICHITA, KANSAS

By _____
Karen Sublett, City Clerk

By _____
Carl Brewer, President
"LESSOR"

By _____
Victor D. White, Director of Airports

ATTEST:

FUGATE AVIATION, INC.

By _____

By _____

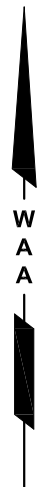
Title _____

Title _____

"LESSEE"

APPROVED AS TO FORM: _____ Date: _____
Director of Law

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AIRPORT ROAD

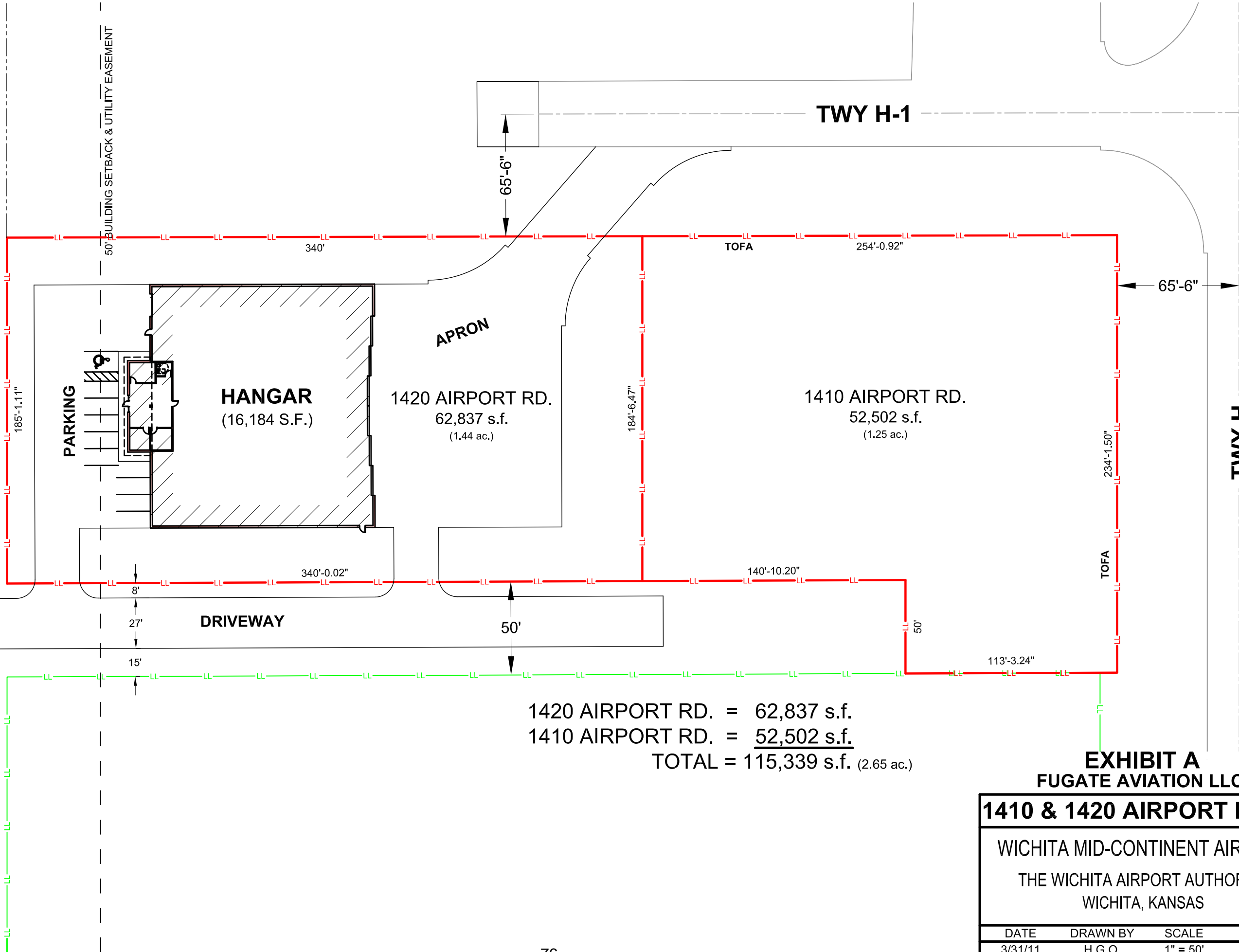


EXHIBIT A
FUGATE AVIATION LLC.

1410 & 1420 AIRPORT ROAD

WICHITA MID-CONTINENT AIRPORT
THE WICHITA AIRPORT AUTHORITY
WICHITA, KANSAS

DATE	DRAWN BY	SCALE	SHEET
3/31/11	H.G.O.	1" = 50'	1 of 1

**MINIMUM STANDARDS
FOR
AERONAUTICAL ACTIVITIES
AND
SERVICES**

Wichita Mid-Continent Airport



**WICHITA AIRPORT
AUTHORITY**

EFFECTIVE: June 8, 2010

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SECTION ONE – PREAMBLE & POLICY

GENERAL

The Wichita Airport Authority (“Authority”), as the owner and operator of the Wichita Mid-Continent Airport (“Airport”), acting by and through the City of Wichita’s Department of Airports (“Department”), does hereby establish the following Minimum Standards policy for the Airport:

These Minimum Standards: (1) establish the threshold entry requirements for those entities wishing to engage in Aeronautical Activities at the Airport including, but not limited to, the provision of aeronautical products, services, and/or facilities to the public, or for self-service purposes; (2) insure that those entities obtaining the approval of the Authority to engage in such activities are not exposed to unfair competition; and (3) protect the public from unsafe or inadequate or substandard aeronautical products, services, and facilities.

These Minimum Standards were developed taking into consideration: (1) the role of the Airport, (2) the range, level, and quality of aeronautical products, services, and facilities currently being provided at the Airport, (3) the future prospects for and the anticipated development of the Airport and the community, and (4) the promotion of fair competition at the Airport.

The uniform application of these Minimum Standards is considered essential to protect the public interest and ownership of the Airport, discourage substandard Operators, and protect Airport customers.

The purpose of these Minimum Standards is to encourage, promote, and ensure:

- 1) the delivery of high quality aeronautical products, services, and facilities to Airport customers;
- 2) the design and development of quality aeronautical facilities and improvements at the Airport;
- 3) safety and security by preventing unauthorized or unlicensed service providers;
- 4) the economic health of aeronautical businesses at the Airport;
- 5) the orderly development of Airport property;
- 6) the consistent establishment of policy to avoid conflict of interest and politically motivated pressures;
- 7) formalized baselines for lease development;
- 8) fostering of mutually beneficial landlord/tenant relationships by maintaining financially equitable treatment;
- 9) an environment that welcomes and encourages new service providers; and,
- 10) Helps the Airport System maintain its financial self-sustainability.

ADMINISTRATION AND POLICY OVERSIGHT

The Authority has the ultimate policy-making authority for the Airport System, and will duly consider the advice and counsel of the Wichita Airport Advisory Board (“Airport Board”) and the Director of Airports (“Director”) when adopting its policies. The Director shall reasonably administer, interpret and enforce these Minimum Standards.

EFFECTIVE DATE AND AMENDMENT OF STANDARDS

These Minimum Standards shall be effective on June 8, 2010, and shall remain in effect until such time that they are either repealed or amended. The Authority reserves the right to adopt such amendments to these Standards from time to time as it determines are necessary or desirable to reflect current trends of commercial airport activity and availability of property for lease, for the benefit of the general public, or the operation of the Airport. These Standards shall be reviewed by the Airport Board at least annually and updated or modified as necessary.

In adopting the standards set forth herein, the Authority expressly acknowledges that the same are subject to change by amendment or cancellation, in whole or in part, from time to time, by the Authority and that no rights shall accrue to any Airport user, FBO, SASO, Operator, Entity, or third party by virtue of this adoption of these Standards.

OWNER'S RIGHTS

The establishment of these Minimum Standards does not alter the Authority's proprietary right to engage in the development of Airport property as it deems prudent, including development of Aeronautical Activities which are not otherwise conferred exclusively herein.

STANDARDS ARE MINIMUMS ONLY

The standards and requirements in this policy are only minimums. All Operators are encouraged to exceed the minimums specified herein.

OPPORTUNITY TO QUALIFY TO PERFORM SERVICES

A reasonable opportunity, without unjust discrimination, shall be afforded to all Applicants to qualify, or otherwise compete for, available Airport facilities and the furnishing of selected Aeronautical Services. Should the Authority determine that there are more qualified applicants seeking to provide a particular Commercial Aeronautical Service or Activity than there is space or demand at the Airport for such service, then the Authority may select the Commercial Aeronautical Service provider through a competitive solicitation, a Request for Proposals, or another process which allows the Authority, in its sole discretion, to determine the selected Operator or Lessee of the land or Improvements.

RIGHT TO SELF-SERVICE

A Person may service his/her own Aircraft provided the Person does so himself/herself (or his/her Employees do so) using his/her vehicles, equipment, and resources and that the servicing is performed in accordance with all applicable safety regulations, these Minimum Standards, Authority policies, Rules and Regulations, and Authority Standard Operating Procedures, and any applicable Governmental Requirements or Regulatory Measures. Persons desiring to self-fuel their own aircraft shall obtain a Non-Commercial Self-Fueling Permit from the Authority.

APPLICABILITY

No person may conduct a commercial business or provide an Aeronautical Service or Activity that is based on the Airport without an Agreement or Permit with the Authority.

The Minimum Standards do not apply to the Authority itself, to certificated air carriers operating from the Airport, to government entities engaged in emergency public safety services, or to individual persons operating Aircraft on the Airport who perform services on their own Aircraft with their own regular

employees and resources in accordance with Airport Rules and Regulations and applicable Regulatory Measures, and Agreement, Permit, or lease provisions.

These Minimum Standards are not intended to be all-inclusive. All Operators may be subject additionally to applicable federal, state and local laws, ordinances, codes, and regulations, that may pertain to their operation, construction, maintenance of facilities, or services provided, including Airport Rules and Regulations pertaining to all such services.

SEVERABILITY

In the event any covenant, clause, section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall in no way affect any other covenant, clause, section, condition or provision herein contained.

NOTICES, REQUESTS FOR APPROVAL, APPLICATIONS, AND OTHER FILINGS

Any notice, demand, request, consent, or approval that an Entity may, or is required to give to the Authority or Wichita Department of Airports under these Minimum Standards, shall be in writing, and shall be either personally delivered or sent by first class mail, postage prepaid, addressed as follows:

Wichita Airport Authority
Wichita Mid-Continent Airport
ATTN: Director of Airports
2173 Air Cargo Road
Wichita, KS 67209

VARIANCES, WAIVERS AND DEVIATIONS

The Authority reserves the right, in its sole discretion, to authorize variances or deviations from all or a portion of these Minimum Standards for the benefit of any government or governmental agency performing non-profit public services to the aviation industry, or performing emergency medical or rescue services to the public by means of Aircraft, or performing fire prevention or firefighting operations, or for law enforcement purposes. The Authority may further temporarily waive any of the Minimum Standards for non-governmental Operators where the Authority, in its sole discretion, deems such waiver to be in the best interest or welfare of the Airport's operation, and under special conditions and in unique circumstances that don't adversely affect public health or safety, Airport finances or operations, or violate any Governmental Requirements or Regulatory Measures, or FAA Grant Assurances. Such variances shall not amend or alter the Minimum Standards. All requests for variances or deviations shall be presented to the Director in writing.

ENFORCEMENT

The Director is responsible for the operation, management, maintenance, development, and security of the Airport and all Airport-owned and operated land, Improvements, facilities, vehicles, and equipment. Among other things, the Authority has authorized and directed the Director to:

- (1) interpret, administer, and enforce Agreements and these Minimum Standards; and
- (2) obtain and receive copies of all licenses, permits, certifications, ratings, Certificates of Insurance, and other documents required to be provided to or filed with the Authority under these Minimum Standards.

Failure to comply with the applicable Standards set forth herein may result in the suspension or revocation of the applicable activity Agreement or Permit issued to Operator, thereby removing any right of the Operator to conduct the activities granted on the Airport.

All official inquiries regarding these Minimum Standards and/or compliance therewith should be directed to the Director.

SECTION TWO – DEFINITIONS

The following terms shall have the following meanings for purposes of these Minimum Standards:

AC (ADVISORY CIRCULAR) – documents published by the FAA that contain information about standards, practices and procedures that the FAA has found to be acceptable for compliance with associated rules, laws, policies, or regulations.

AERONAUTICAL ACTIVITY - any activity or service commonly conducted at airports that involves, makes possible, facilitates, is related to, assists in, or is required for the operation of Aircraft or another Aeronautical Activity, or which contributes to or is required for the safety of such operations.

The following functions, without limitation, which are commonly conducted on airports, are considered Aeronautical Activities within this definition:

- a. Aerial advertising and banner towing
- b. Aerial applications (crop dusting, agricultural aviation, firefighting, etc.) services
- c. Aerial photography or survey
- d. Air ambulance and medical transportation by Aircraft services
- e. Air carrier operations
- f. Aircraft airframe and powerplant repair and maintenance services
- g. Aircraft charter and air taxi services
- h. Aircraft management services
- i. Aircraft rental services
- j. Aircraft sales and services
- k. Aircraft washing, cleaning and detailing services
- l. Avionics, instrument, accessory or propeller repair services
- m. Commercial hangar operation and rental services
- n. Flight or Pilot training services
- o. Ground servicing of air carrier Aircraft and passenger services
- p. Into-plane fueling services for air carrier Aircraft
- q. Non-Commercial private hangar operation
- r. Private flying clubs
- s. Rental of Aircraft hangar, parking and tie-down space
- t. Sale of Aircraft parts
- u. Sale of aviation fuels, lubricants and petroleum products
- v. Sightseeing flight services
- w. Any other Activities which in, the sole judgment of the Authority, because of their direct relationship to the operation or repair of Aircraft, can appropriately be regarded as an Aeronautical Activity

AERONAUTICAL SERVICE - any Aeronautical Activity or service by an Entity that has a lease, sublease, license, permit, or Agreement from the Authority authorizing it to provide such service.

AGREEMENT - a written contract, executed by both parties, and enforceable by law between the Authority and an Entity granting a concession, transferring rights or interest in land and/or improvements, and/or otherwise authorizing and/or prohibiting the conduct of certain Activities. Such Agreement will recite the terms and conditions under which the Activity will be conducted at the Airport including, but not limited

to, term of the Agreement; rents, fees, and charges to be paid by the Entity; and the rights and obligations of the respective parties. For purposes of clarification in these Minimum Standards, the following terms may be substituted for the term Agreement: Lease, Sublease, Permit, or License.

AIRCRAFT - any contrivance now known or hereafter invented which is used or designed for navigation of or flight in air, except a parachute or other contrivance designed for such navigation but used primarily as safety equipment. This includes, but is not limited to, airplanes, airships, balloons, dirigibles, rockets, helicopters, gliders, gyrocopters, ground-effect machines, sailplanes, amphibians, and seaplanes.

AIRCRAFT MAINTENANCE – the repair, adjustment, maintenance, alteration, preservation, and/or inspection of Aircraft airframe or powerplant, including the replacement of parts. Major repairs include major alterations to the airframe, powerplant, or propeller, as defined in FAR Part 43. Minor repairs include normal, routine annual inspection with attendant maintenance repair, calibration, or adjustment of Aircraft airframe or powerplant and associated accessories. Preventive maintenance means simple or minor preservation operations and the replacement of small standard parts not involving complex assembly operations, as defined in FAR Part 43.

AIRCRAFT OPERATOR - a person who uses, causes to be used, or authorizes to be used an Aircraft, with or without the right of legal control (as owner, Operator, or otherwise), for the purpose of air navigation including the piloting of Aircraft, or on any part of the surface of the Airport.

AIRFRAME AND POWERPLANT MECHANIC - a person, certificated by the FAA, that performs and/or supervises the maintenance, preventive maintenance or alteration of an Aircraft or appliance, or a part thereof, for which he/she is rated, and may perform additional duties in accordance with certain Regulatory Measures.

AIRPLANE DESIGN GROUP – An FAA-defined grouping of airplanes based on wingspan. For purposes of these Minimum Standards, the term Airplane Design Group may be referred to as simply Group I or GI, etc.

The groups are as follows:

- Group I Up to but not including 49 feet; and
- Group II 49 feet up to but not including 79 feet; and
- Group III 79 feet up to but not including 118 feet; and
- Group IV 118 feet up to but not including 171 feet; and
- Group V 171 feet up to but not including 214 feet; and
- Group VI 215 feet up to but not including 262 feet.

AIRPORT - means the Wichita Mid-Continent Airport and all land, improvements, and appurtenances within the legal boundaries of the Airport as it now exists on the Airport Layout Plan (or Exhibit A of the most recent FAA grant) and as it may hereinafter be extended, enlarged, or modified.

AIRPORT BOARD – the Wichita Airport Advisory Board, which is the panel appointed by the City of Wichita, Sedgwick County, and the Regional Economic Area Partnership to provide advice and counsel to the Wichita Airport Authority on development and operations of the Wichita Airport System.

AIRPORT CERTIFICATION MANUAL - a document required by the FAA detailing the Airport's requirements as contained in 14 CFR Part 139.

AIRPORT LAYOUT PLAN (ALP) - The drawing (currently approved by the FAA) depicting the physical layout of the Airport and identifying the location and configuration of current and proposed runways, taxiways, buildings, roadways, utilities, nav aids, etc.

AIRPORT OPERATIONS AREA (AOA) - is a restricted area of the Airport, either fenced or posted, where Aircraft are parked or operated, or operations not open to the public are conducted. Areas include, but are not limited to, the Aircraft Ramps and Aprons, hangar areas, taxiways, runways, unimproved land attributed to the taxiways and runways, safety areas, and contiguous areas delineated for the protection and security of Aeronautical Activity.

AIRPORT SECURITY PROGRAM - a document required by the Transportation Security Administration detailing the Airport's requirements as contained in the applicable federal security regulations.

APPLICANT – an Entity desiring to develop facilities or use land and/or Improvements at the Airport to engage in Aeronautical Activities or Aeronautical Services, and who shall apply in writing and in the manner and form prescribed herein for authorization to engage in such activities at the Airport.

AUTHORITY - the Wichita Airport Authority, the government agency created under Kansas law which owns and operates the Wichita Airport System comprised of the Wichita Mid-Continent Airport and Colonel James Jabara Airport. The Authority is represented and has professional management provided by the City of Wichita Department of Airports.

AVIATION PURPOSES – see “Aeronautical Activity.”

CFR - Code of Federal Regulations.

COMMERCIAL – intended for the purpose of securing revenue, earnings, income, and/or compensation (including exchange for service), and/or profit, whether or not such objectives are accomplished. May also mean the exchange, trading, buying, hiring, providing, or selling of commodities, goods, services, or property on the Airport.

CONDOMINIUM OR CO-OPERATIVE (CO-OP) - an organization formed for purposes of self-fueling, self-servicing, and joint/shared hangaring of Aircraft.

DEPARTMENT – City of Wichita Department of Airports, acting on behalf of the Wichita Airport Authority. Authority is often used interchangeably to describe Department in this document.

DIRECTOR OF AIRPORTS (DIRECTOR) - the individual charged with the duty to manage, supervise, control, develop, maintain, regulate, and protect the Airport, or such other employee of the Department as the Director may from time to time designate to carry out the duties of the Director.

EMPLOYEE(S) - any individual employed by an Entity whereby said Entity collects and pays all associated taxes on behalf of Employee (i.e., social security and Medicare). The determination of status between “employee” and “contractor” shall be made according to then-current Internal Revenue Service standards.

ENTITY – Includes a person, persons, firm, partnership, limited liability partnership or corporation, agency, unincorporated proprietorship, association or group, or corporation, and includes any trustee, receiver, assignee, or other similar representatives.

EXCLUSIVE RIGHT - A power, privilege, or other right excluding or preventing another from enjoying or exercising a like power, privilege, or right. An Exclusive Right can be conferred either by express agreement, by the imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties, but excluding others from enjoying or exercising a similar right or rights, would be an Exclusive Right. Note: An Exclusive Right to conduct an Aeronautical Activity, which is forbidden by federal regulation, is distinguished from an exclusive right to occupy real estate, which is permitted by federal regulation under certain conditions.

FAA (Federal Aviation Administration) - the division within the Department of Transportation of the United States government that has the responsibility of promoting safety in the air, by both regulation and education.

FIXED BASE OPERATOR (FBO) - a Commercial Operator authorized and required, by Agreement with the Authority, to provide to the public the sale of products and services, and rental of facilities, as defined further in Section 4.1

GOVERNMENTAL REGULATIONS – May be used interchangeably with “Regulatory Measures.”

GRANT ASSURANCES - those contractual obligations that are described by law and are undertaken by a public airport sponsor as a condition of receipt of federal airport development grants or federal surplus property.

GRANTEE - means the term commonly used in various agreements to identify an Entity that has been granted certain rights while operating at the Wichita Mid-Continent Airport.

GRANTOR - the term commonly used in various agreements identifying the Wichita Airport Authority and/or the City of Wichita Department of Airports.

IMPROVEMENTS – all buildings, structures, and facilities including pavement, concrete, fencing, signs, lighting, and landscaping constructed, installed, or placed on, under, or above any land on the Airport.

MINIMUM STANDARDS - those qualifications, standards, and criteria set forth, by the Authority, as the minimum requirements that must be met as a condition for the right and privilege to engage in Aeronautical Activities or Services at the Airport.

NFPA- all codes, standards, rules, and regulations contained in the Standards of the National Fire Protection Association, as may be amended from time to time, and are incorporated herein by reference.

NON-COMMERCIAL - not for the purpose of securing earnings, income, compensation (including exchange of service) and/or profit.

OPERATOR - any Entity that has entered into an Agreement with the Authority or has subleased office, shop, hangar, or land from an authorized FBO or SASO to engage in Aeronautical Activities or Services (either Commercial or Non-commercial), and who shall be subject to the Minimum Standards set forth herein.

PERSON – means a natural person, corporation, partnership, trust, association, or other legal Entity.

PREMISES – the land and/or Improvements leased by an Operator for the conduct of Operator’s activities.

PRIVATE FLYING CLUB - a private non-commercial organization, whose members own equal shares, established to promote flying, develop skills in aeronautics, including pilotage, navigation, and awareness and appreciation of aviation requirements and techniques.

RAMP (OR APRON) - an area of the Airport within the AOA designated for the loading, unloading, servicing, or parking of Aircraft.

REGULATORY MEASURES – All Federal, state, county, local, and Airport, laws, statutes, codes, ordinances, policies, standards, rules and regulations, including, without limitation, those of the United States Department of Transportation, the United States Department of Homeland Security, TSA, FAA, EPA, OSHA, NFPA, ARFF Standard Operating Guidelines, the Airport Certification Manual, the Airport Security Program, the Airport’s Standard Operating Procedures, and Airport Authority Policies; all as may be in existence, hereafter enacted, and amended from time to time, which are applicable to the use of the Airport and the Operator’s activities, operations, or utilization of any leased premises thereon.

SASO (SPECIALIZED AERONAUTICAL SERVICE OPERATOR) - a Commercial Operator that provides any one or more of the following Aeronautical Activities or Services:

- a. Aircraft charter and air taxi services
- b. Aircraft management services
- c. Aircraft airframe and powerplant maintenance
- d. Aircraft rental
- e. Aircraft sales
- f. Avionics, instrument or propeller services
- g. Commercial Aircraft storage services
- h. Flight training
- i. Other specialized commercial aviation services
- j. Temporary specialized commercial aviation services

SELF-FUELING – the fueling or servicing of an Aircraft by the owner of the Aircraft or the owner’s employee using his/her own vehicles, equipment, and resources.

SELF-SERVICE - Fueling, maintenance, repair, cleaning, or other servicing of an Aircraft performed by the Aircraft owner (or the owner’s employee) using resources (goods) obtained by the Aircraft owner and vehicles or equipment owned by the Aircraft owner. 14 CFR Part 43 permits the holder of a pilot certificate to perform specific types of preventative maintenance on any Aircraft owned or operated by

the pilot. For a list of such preventive maintenance activities refer to 14 CFR Part 43. “Owned Aircraft” is an Aircraft that is owned or leased and operated under the full and exclusive control of the Aircraft owner or Operator.

SUBLEASE OR SUBCONTRACT - an Agreement entered into by an Entity with an Operator that transfers rights or interests in Operator’s Premises and is enforceable by law.

THROUGH-THE-FENCE OPERATION - direct access to the Airport from private property located contiguous to the Airport which provides access to the Airport’s runway and taxiway system or other infrastructure.

TSA - Transportation Security Administration of the U. S. Department of Homeland Security.

SECTION THREE – GENERAL REQUIREMENTS

All Operators engaging in Aeronautical Activities at the Airport shall meet or exceed the requirements of this Section Three as well as the specific Minimum Standards applicable to the Operator's Activities, as set forth in subsequent sections.

1. EXPERIENCE/CAPABILITY

Operator or its key management personnel assigned to the Airport shall have such business background and shall demonstrate its business capability and financial responsibility and capacity to the satisfaction of, and in such manner as to meet with the approval of, the Authority.

Any prospective Operator seeking to conduct an Aeronautical Activity at the Airport shall demonstrate that they have the resources necessary to realize the business objectives established by the Operator. Section Eight – Application for Agreement (Application/Proposal Requirements) should be used as a guide to assist a prospective Operator in demonstrating resources and capabilities.

2. AGREEMENT REQUIRED

No Entity shall be permitted to use any land or Improvements, conduct any Aeronautical Activity or Service, or solicit business in connection therewith unless such activity is conducted in accordance with these Minimum Standards, as amended from time to time by the Authority; and unless the Entity has a valid Agreement or Permit with the Authority allowing the conduct of such specifically authorized activities on the Airport. In the event of a conflict between an Agreement and the Minimum Standards, the Agreement shall govern.

An Operator shall not engage in any commercial activity not specifically authorized by an Agreement or Permit.

3. PAYMENTS OF RENTS, FEES, AND CHARGES

All Operators shall comply with the Rates and Charges Policy enacted by the Authority or as otherwise specified in a written Agreement or Permit with the Authority.

4. PREMISES AND MISCELLANEOUS FACILITY REQUIREMENTS

Operator shall, at a minimum, lease the land and/or Improvements stipulated for the Activity in these Minimum Standards. All Commercial and Non-commercial Aeronautical Activities must be conducted on Airport property. Through-the-Fence operations shall not be permitted, other than for existing aircraft manufacturing tenants. However, requests for additional Through-the-Fence operations shall be reviewed and considered on a case-by-case basis, and any such operations shall meet all applicable Minimum Standards, as well as FAA and TSA requirements. Consideration for approval of future Through-the-Fence activities may only be approved for major large-scale aircraft manufacturing or maintenance facilities, and shall be subject to the review and approval of the FAA. Payment of appropriate access fees to the Authority shall be a condition of approval of future Through-the-Fence agreements.

Premises used for Commercial purposes that require public access shall have direct landside access for vehicle and customer access. Approved security procedures shall be applied to prevent unauthorized access to restricted areas.

Title and ownership of all facilities and improvements constructed on Authority real estate shall become vested with the Authority upon completion.

5. INDEPENDENT OPERATORS

Independent Operators shall not be permitted. All persons running commercial businesses on the Airport shall be tenants holding an Agreement, or shall hold a Permit to allow the activity.

6. FACILITY MAINTENANCE

Unless otherwise agreed to in writing, Operator shall, at its own expense, keep and maintain the Premises leased for its own use and all such improvements and facilities and additions thereto, constructed or installed by it or by Authority, in good repair and in clean, neat, orderly, and fully functional condition, reasonable wear and tear excepted, during the term of any Agreement, including all structural, interior, and exterior maintenance of all facilities, all landscaping, all utilities, all lighting, and all paved areas. Operator is also expected to provide all necessary cleaning services and waste removal, and replace any property that has been damaged by Operator's activities. More specific maintenance responsibilities shall be detailed in the Agreement.

Operator shall be responsible for snow removal on its aircraft ramps and other premises.

Operator shall provide at all times safe and clear passageways and access for emergency vehicles and other authorized users.

7. PRODUCTS, SERVICES AND FACILITIES

An FBO may conduct any activity or activities, meeting the applicable standards specified herein, in addition to those specifically identified and required of an FBO in Section 4 - Fixed Base Operator.

A Specialized Aeronautical Service Operator (SASO) may engage in any of the permissible Aeronautical Activities identified for a SASO in Section 5 - Specialized Aeronautical Service Operator.

Operators are expected to (1) provide products, services, and facilities on a reasonable and not unjustly discriminatory basis to all consumers, (2) charge reasonable and not unjustly discriminatory prices (while being allowed to make reasonable discounts to volume purchasers), and (3) conduct Activities in a safe, efficient, and first class professional and workmanlike manner.

8. EXCLUSIVE RIGHTS

No person shall be granted an exclusive right to conduct any Aeronautical Activity on the Airport as mandated by FAA regulations regarding exclusive rights and minimum standards for Aeronautical Activities.

The grant of an exclusive right for the conduct of any aeronautical activity, on an airport on which Federal funds, administered by the FAA, have been expended, is regarded as contrary to the requirements of applicable laws, whether such exclusive right results from an express agreement, from the imposition of unreasonable standards or requirements, or by any other means. However, certain circumstances may exist whereby exceptions to the granting of exclusive rights may occur:

- a. Single Activity. The presence on an airport of only one enterprise conducting Aeronautical Activities does not necessarily mean that an exclusive right has been granted. If there is no intent by express agreement, by the imposition of unreasonable standards, or by other means to exclude others, the absence of a competing activity is not a violation of this policy. This sort of situation frequently arises where the market potential is insufficient to attract

additional Aeronautical Activities. So long as the opportunity to engage in an Aeronautical Activity is available to those who meet reasonable and relevant standards, the fact that only one enterprise takes advantage of the opportunity does not constitute a grant of an exclusive right.

- b. Space Limitations. It will not be construed as evidence of intent to exclude others if all available Airport land or facilities suitable for a specific Aeronautical Activity is leased to a single entity if it can be reasonably demonstrated that the total space leased is presently required and will be immediately used to conduct the planned activity.
- c. Restrictions Based on Safety. Under certain circumstances, it is sometimes necessary to deny the right to engage in an Aeronautical Activity at an airport for reasons of safety.

9. NON-DISCRIMINATION

Operator agrees to abide by those certain covenants and assurances required or recommended by the FAA, TSA, Kansas Department of Transportation (KDOT), United States Department of Transportation (USDOT) or by Federal or Kansas statute. In the event of breach of any such covenant, the Authority shall have the right to terminate any Agreement and to reenter and repossess any land and/or facilities thereon, and hold the same as if said Agreement had never been made or issued. It is further understood and agreed that the Authority shall have the right to take such action as the Federal Government may lawfully direct to enforce this obligation. In the event future covenants and/or assurances are required of the Authority by the USDOT, KDOT, FAA or TSA, which are applicable to an Agreement, Operator agrees that it will conform with the provisions thereof so long as the Agreement is in effect.

Operator shall not discriminate against any person or class of persons by reason of race, creed, color, national origin, sex, age, or physical handicap in providing any products or services or in the use of any of its facilities provided for the public, or in any manner prohibited by applicable Regulatory Measures including without limitation Part 21 of the Rules and Regulations of the office of the Secretary of Transportation effectuating Title VI of the Civil Rights Act of 1964, as amended or reenacted.

10. LICENSES, PERMITS, CERTIFICATIONS, AND RATINGS

Operator shall obtain, maintain, and display in a prominent location all applicable licenses, permits, certifications and/or ratings for the activities specified herein and shall, upon request, provide copies to the Authority.

11. PERSONNEL

Operator shall have in its employ, on duty, and on Premises during Hours of Activity, courteous, properly trained, fully qualified and certificated (if applicable), and current in the function/position for which they are employed and working, personnel in such numbers as are required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each Activity being conducted in a safe, efficient, courteous, and prompt manner. Operator shall also maintain, during all business hours, a responsible person in charge to supervise the operations on the Premises with the authorization to represent and act for and on behalf of Operator.

Employee Appearance and Conduct - Operator shall be responsible for the conduct, demeanor, and appearance of its officers, agents, employees and representatives. Employees on duty shall wear uniforms bearing company logo or wear other suitable business attire. Employees shall be trained by Grantee to render high quality, courteous, and efficient service. Grantee shall closely supervise service personnel to assure a high standard of service.

No offensive or profane language or symbols may be worn or displayed by any employee while on the Airport. Each employee will conduct themselves in a professional manner at all times.

Upon receipt of a written objection from the Director concerning the conduct or demeanor of any of Operator's employees, Operator shall promptly eliminate the basis for the objection and shall take any action reasonably necessary to prevent a recurrence of the same or similar conduct or demeanor.

Employees not adhering to the above requirements, in the opinion of Director, will be asked to immediately comply or leave the Airport until such time they are in full compliance.

12. AIRCRAFT, VEHICLES, AND EQUIPMENT

All required Aircraft, Vehicles, and Equipment must be fully operational, functional, and available at all times and capable of providing all required products and services.

13. HOURS OF ACTIVITY

Hours of activity shall be clearly posted in public view using appropriate signage.

14. COMPLIANCE WITH REGULATORY MEASURES REGARDING SAFETY AND SECURITY, HEALTH AND ENVIRONMENTAL PROTECTION

Authority has overall responsibility for safety, Aircraft rescue/ firefighting, law enforcement and security at the Airport as described in 14 CFR Part 139 and 49 CFR Part 1542, among other regulations. Standards and procedures for meeting these requirements are defined in the Airport Certification Manual, the Airport Security Program, and the Airport Standard Operating Procedures. Applicable portions of these standards and procedures may apply to certain Operators on the Airport.

Operators shall obey all rules and regulations promulgated from time to time by the U.S. Department of Transportation, U.S. Department of Homeland Security, the FAA, the TSA, the EPA, the Kansas Department of Transportation, the Kansas Division of Aeronautics, the Kansas Department of Health and Environment, the City of Wichita, and the Authority governing the conduct and operation of the Airport and its facilities. In the event the Authority is lawfully assessed and pays a fine because of an act or omission of Operator, its employees, agents, customers, and invitees, in violation of any Regulatory Measure or this Section, Operator shall reimburse the Authority for such payment within thirty (30) days of the Authority providing such notice of payment. Nothing in this provision shall prevent an Operator from contesting in good faith such fine.

Operators whose facilities have direct access to the AOA, or other secured, sterile or restricted area, shall develop, maintain, and comply with a security program that has been approved by the Authority, and shall also comply with the Airport Security Program.

Operator shall at all times and in all respects comply with local, State, and Federal laws ordinances, regulations, and orders relating to environmental protection, industrial hygiene, or the use, generation, manufacture, storage, disposal, or transportation of Hazardous Materials on, about, or from the Airport.

15. INDEMNIFICATION AND INSURANCE

Operators shall not commence operations or construction until Operator has obtained the types and amounts of required insurance and until such insurance has been reviewed by the Authority or a Certificate of Insurance is received indicating required coverage. All prospective and existing

Operators shall provide to the Authority's satisfaction evidence of their ability to procure and maintain insurance coverage in the amounts stipulated for each particular type of activity according to the insurance requirements established by the Department in consultation with its risk management agent(s) or insurance carriers, as may be amended from time to time. The limits stipulated for each Activity represent the minimum coverage and amounts that shall be maintained by Operator to engage in Activities at the Airport. Operator shall conduct its own analysis, in conjunction with its own risk management agent(s), to determine if additional coverage is needed.

The current minimum insurance requirements are specified in Appendix Two, and they are subject to periodic modifications. Current requirements are kept on file with the Department.

Operator shall protect, defend, and hold the Authority and the City and their officers and employees, individually and collectively, completely harmless from and against liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs, and expert fees), of any nature whatsoever arising out of or incidental to an Agreement and/or the use or occupancy of the leased/assigned Premises by Operator, or the acts or omissions of Operator, its officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, except to the extent such injury, death or damage is caused by the act or omission of Authority, its agents, representatives, contractors or employees. Authority shall give to Operator reasonable notice of any such claims or actions.

Policies of insurance shall be in a form and with companies (authorized to write insurance in the State of Kansas) satisfactory to the Authority having an A.M. Best rating of B+, VIII or better. Operator shall be fully responsible for any insurance policy deductible(s) for which the required insurance applies. The Authority and City shall be named as additional insureds on all required policies. Required policies shall not be cancelled or altered without 30 days advance written notice to the Authority. Required policies shall cover and protect the Authority and City and their officers and employees, individually and collectively.

If required insurance coverage is cancelled, changed in coverage, or reduced in limits, Operator shall, within 30 days but in no event later than the effective date of cancellation, change or reduction, provide to the Authority a certificate showing that insurance coverage has been reinstated or provided through another carrier. Failure to provide required insurance is an event of default under a Lease, Agreement or Permit with the Authority.

16. TAXES AND ASSESSMENTS

Operator shall, at its sole cost and expense, pay all taxes, fees, and other charges that may be lawfully levied, assessed, or charged by any duly authorized governmental body associated with Operator's Premises, Operator's improvements or equipment on Premises, and/or Operator's Activities.

17. MULTIPLE ACTIVITIES

When more than one Activity is conducted, the minimum requirements shall vary, as reasonably determined by the Director, depending upon the nature of each Activity or combination of Activities, but shall not necessarily be cumulative.

18. NEW ACTIVITIES

Aeronautical Activities may be proposed that do not fall within the categories designated herein. In any such cases, appropriate minimum standards shall be developed at such time on a case-by-case basis for such Activities and/or incorporated into the Operator's Agreement.

19. EXISTING AGREEMENTS

It is understood that the establishment of these Minimum Standards is not retroactive and will not alter certain provisions or requirements of existing Agreements or Permits between the Authority and existing Operators.

All entities will become subject to these standards immediately following the expiration, termination, and/or modification of any Agreement through extension, renewal, or significant amendment, addendum, or other means. Compliance with these Standards shall be required as a condition of approval to modify, extend, or renew an existing Agreement.

20. CONSTRUCTION/ALTERATIONS

Construction of all Improvements and alterations, including but not limited to, offices, hangars, access roads, access taxiways, stormwater and drainage facilities, vehicle parking areas and Aircraft Ramps/Aprons and parking areas, shall be in accordance with design and construction standards established by the Authority, and in accordance with applicable federal, state and local codes, ordinances, laws, standards, and rules and regulations. Operator shall not proceed with any construction, remodeling, demolition, or installation of infrastructure on the Premises without first submitting detailed construction plans and specifications to the Director and obtaining written approval of plans and specifications for such work from the Director.

The approval by Director of plans and specifications shall not constitute a representation or warranty that such plans and specifications comply with the requirements of any governmental agency or code, and responsibility therefore shall at all times remain with the Operator.

FAA form 7460-1, "Notice of Proposed Construction or Alteration" will be filled out by an Operator in consultation with the Authority and submitted by Authority to the FAA in order to initiate the required airspace study. An unobjectionable determination from the FAA shall be received prior to commencement of construction of any structures.

Appropriate performance and payment bonds and insurance shall be maintained during all periods of construction.

All structures placed upon the Operator's Premises shall be of permanent construction. No portable, temporary, or modular structures shall be permitted. No short-term leased structures shall be permitted, except during periods of construction on the Premises.

When improvements to the Premises are required to meet the terms of an Agreement, Operator shall commence construction within the time period specified in the Agreement. The Operator's failure to commence or complete construction within the approved timelines will be an event of default.

Aircraft Parking Ramps/Aprons and Paved Tie-Down Areas

Aircraft Parking Ramps/Aprons and Paved Tie-Down areas shall be paved with concrete in accordance with Authority and FAA design guidelines for the largest and heaviest aircraft or other vehicle anticipated to use the ramp on a regular basis. The ramps shall be adequately sized to accommodate the movement, staging, and parking of Aircraft expected to use the area without interfering with the movement of Aircraft in and out of other facilities and Aircraft operating in common taxilanes or taxiways.

Hangar Ramps

Ramps associated with hangars shall be sufficient, in size, to accommodate the movement of Aircraft into and out of the hangar, staging, and parking of customer and/or Operator Aircraft without interfering with the movement of Aircraft moving in and out of other facilities and/or Aircraft operating in taxilanes or taxiways. Hangar ramps shall generally be no smaller than 1.5 times the square footage of the hangar bay, unless specified otherwise in a specific standard.

Automobile Parking

Paved Automobile Parking shall be in an amount to either comply with city codes, or sufficient to accommodate all of the Operator's and its tenant's customers, employees, visitors, vendors, and suppliers on a daily basis, whichever is greater. Paved automobile parking shall be entirely on Operator's Premises and located in close proximity to the Operator's main facility. On-street vehicle parking is not allowed. Parking lots shall be paved with curb and gutter and proper drainage. All driveways, and access points for fuel delivery trucks, shall be paved with concrete.

Stormwater and Drainage

Leaseholds shall be sufficiently sized to include all required improvements on-site, including any on-premises water quality or drainage facilities necessary to comply with applicable regulations and the Airport Stormwater Pollution Prevention Plan (SWPPP). All stormwater detention facilities shall be constructed and maintained at Operator's expense. Drainage and detention facilities shall be designed in accordance with Authority and FAA guidelines, and shall not create a wildlife attractant. However, upon approval of the Authority, on-premises detention facilities may not be required if the leasehold is in an area of the Airport which already has sufficient stormwater drainage facilities and capacity and the tenant is permitted to utilize the master drainage system. Operator may be required to participate in the pro-rata sharing of costs to construct and provide centralized drainage facilities. Operators shall be required to follow Best Management Practices for stormwater treatment in accordance with Authority and City policies.

Utilities

Operators shall generally be responsible for providing all necessary utility services to their Premises, at their own cost and expense. However, the Authority may choose to install certain utilities, and in such an event, the Operator may be required to participate in the pro-rata sharing of costs to construct and provide such utilities.

Landscaping

Operators shall install and maintain, at their own expense, approved landscaping on its Premises in accordance with the Authority's design guidelines and Standard Operating Procedures. Landscaping shall not create a wildlife attractant.

Special Assessments

Operators may be required to participate in pro-rata sharing of costs through special assessments when common use infrastructure (e.g., utilities, roadways, taxiways, drainage systems, etc.) must be developed and installed by the Authority to serve Operator's needs.

21. SUBLEASE ACTIVITY

All Sublease Agreements require the prior written approval of the Authority, except for Subleases for aircraft storage space and offices normally leased out by FBOs and Commercial Hangar Operators. All commercial activities proposed to be conducted on an Operator's Premises by a sublessee shall receive the prior written approval of Authority.

SECTION FOUR – FIXED BASE OPERATOR

1. DEFINITION

A Fixed Base Operator (FBO) is a Commercial Operator engaged in the sale or rental of products and services, and which shall provide facilities that shall be required to include, at a minimum, the following mandatory Activities at the Airport:

- a. Sales of Aviation fuels (Jet Fuel and AvGas) and lubricants;
- b. Aircraft Line and ground support services;
- c. Passenger, crew and customer services support and facilities;
- d. Aircraft ramp tie-down and parking;
- e. Indoor Aircraft storage and hangar rental (transient and long term);
- f. Air conditioned office space, flight planning/briefing area with appropriate resources, waiting lounge, conference room, telephone facilities, food & beverage vending, restroom facilities;
- g. Disabled Aircraft recovery services; and
- h. Major Aircraft Airframe and Powerplant Maintenance certificated under FAR Part 145.

In addition to the General Requirements set forth in Section Three, each Fixed Base Operator at the Airport shall comply with the Minimum Standards set forth in this Section Four.

An FBO may Subcontract Major Aircraft Airframe and Powerplant Maintenance to a qualified SASO (i.e., a SASO can fulfill this mandatory requirement of an FBO) provided that the Subcontract and/or Sublease Agreement are approved in writing in advance by the Authority and the subcontractor obtains a Permit from the Authority to conduct such business. SASOs must meet all applicable requirements for the Subcontracted operation. The FBO shall remain primarily responsible for any services performed by a subcontractor and the compliance by such subcontractor with these Minimum Standards.

In addition to the required services listed above, an FBO may also engage in any additional SASO (Specialized Aeronautical Services Operator) activity outlined in these Standards that it may wish to offer, so long as the Authority approves in advance the addition of those services or activities. An FBO may also provide other commercial operations not identified in these Standards that are complementary and/or supportive of aviation activities provided such additional services are approved in writing by the Authority.

SASOs can Sublease space from an FBO in order to meet Minimum Standards for the SASO activity as long as the FBO meets the Premises requirement for both the FBO and the SASO activity, and prior Authority approval is obtained in writing.

2. PREMISES & FACILITIES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	217,800 SF (5 acres)
Paved Aircraft Ramp and Apron	130,680 SF (3 acres)
Storage Hangar(s)	30,000 SF (no unit smaller than 8,000 SF)
Maintenance Hangar & Shops	10,000 SF
Terminal, lobby & customer space	5,000 SF
Vehicle parking (paved, on-site)	50 spaces, or as required by city code
AREA TYPE	MINIMUM SIZE
Jet fuel storage tanks	20,000 gallons
AvGas fuel storage tanks	10,000 gallons
Jet fuel mobile refueling vehicles	2 each of 2,000 gallons
AvGas mobile refueling vehicles	1 each of 750 gallons

Leasehold Ground area to meet primary requirement shall be contiguous. FBO may be permitted to have additional non-contiguous land for its operations.

Ramp area shall provide paved transient Aircraft parking having the weight-bearing capacity to accommodate the largest Aircraft typically handled or serviced by the FBO. Ramp area shall include adequate space to accommodate the number, type, and size of based/transient Aircraft requiring tie-down space at the Operator's Premises, but no less than 20 paved tie-down spaces.

Building/Facility area shall include a customer area having adequate space for air conditioned customer lounge, pilot lounge, flight planning area and equipment, conference rooms, public use telephone and restrooms, and an administrative area having adequate and dedicated space for employee offices, work areas, and storage.

If the FBO engages in additional Commercial Activities (beyond those required in this section), the FBO shall comply with the space requirements stipulated for each additional activity; however, the requirements shall not necessarily be cumulative.

3. FUEL STORAGE

FBO shall demonstrate that satisfactory arrangements have been made with a recognized aviation petroleum distributor for delivery of aviation fuels in such quantities as are necessary to meet the requirements set forth herein.

An FBO shall have a fixed above-ground fuel storage tank system (in a location approved by Authority), containing safety fixtures, and filtration systems to ensure fuel quality in accordance with applicable standards. All storage tanks and ancillary facilities shall be built, installed, operated and maintained by the Operator at its own expense in accordance with all federal, state, local, and Authority regulations, as well as any requirements of the petroleum distributor.

The fuel farm system shall have at least 20,000 gallons of storage for Jet-A fuel, and 10,000 gallons of AvGas, or a three (3) day peak supply, whichever is greater. If the FBO provides fuel to the military, additional storage and mobile refueling capacity for military-grade fuels shall be as required by the military contracts. The storage system must include adequate fuel spill prevention features and containment capabilities together with an approved fuel Spill Prevention Countermeasures and Control Plan (SPCC) that must be submitted to the Department and kept current by Operator.

If FBO is providing into-plane service to scheduled air carriers, it shall have the capability necessary to refuel the largest Aircraft normally frequenting the Airport.

FBO shall meet all applicable standards necessary for the storage of fuel for general aviation and scheduled air carriers. Further, all fuel delivered shall be clean, bright, pure, and free of microscopic organisms, water, or other contaminants. Ensuring the quality of the fuel is the responsibility of FBO.

FBO shall provide for the lawful and sanitary handling and timely disposal, away from the Airport, of all solid waste, regulated waste, and other materials including, but not limited to, used oil, solvents and other regulated waste. FBO shall provide monthly fuel reports, including total gallons of fuel delivered by type and category, to the Department.

4. FUELING EQUIPMENT

An FBO shall be required to comply with and/or provide the following:

Fuel-dispensing equipment, meeting all applicable Regulatory Measures for each type of fuel dispensed.

Adequate bonding wires, continuously inspected and maintained, on all fueling equipment.

Spill kits for both fixed and mobile fuel storage tanks.

An adequate supply of properly located fire extinguishers and/or equipment as required by applicable fire codes.

FBOs are required to provide both Jet A and 100LL AvGas, and if military or government aircraft servicing is anticipated by the Operator, the FBO shall also provide the appropriate grade of military fuel.

Mobile Refueler Size/Quantity:

- At least one (1) AvGas 100LL refueler with a 750 gallon minimum capacity
- At least two (2) Jet-A refuelers with a 2,000 gallon minimum capacity
- At least one (1) JP refueler with 2,000 gallon minimum capacity (only required only if FBO is providing military fueling services)
- At least two (2) additional Jet-A refuelers with a 5,000 gallon minimum capacity (only required if FBO has airline fueling contracts)

Mobile refueling vehicles (refuelers) shall be designed and built for the purpose of fueling Aircraft, self-propelled, be properly marked/labeled with type of fuel being carried, equipped with a metering device, and have separate dispensing pumps for each grade of fuel. Jet A refuelers shall have the capability to provide “over-the-wing”, “single point”, and “bottom-loading” capability).

Proper storage and staging of refuelers shall be in accordance with all applicable Regulatory Measures.

Backup Equipment:

An FBO having only one (1) refueler shall be required to have immediate access to the use and operation of a temporary replacement refueler should the primary vehicle used to meet these Minimum Standards become inoperative and/or unable to dispense fuel. Such access shall be conveyed through written agreement clearly stating the terms and conditions under which refueler shall be made available to FBO. Copies of such agreement shall be made available to the Director upon request.

Self-Service Fueling Equipment

In addition to the required mobile refueling vehicles and storage tanks listed above, an FBO is permitted to also sell fuel using pilot self-service from separate fixed dispensing pumps installed for that purpose in an Authority-approved location on its leased Premises. Storage capacity of those self-service tanks may be in a size chosen by the Operator and approved in writing by the Authority. An FBO is not required to offer both Jet-A and AvGas self-service fuel, but may elect to provide both if customer demand dictates.

Use of Equipment

With respect to the use and operation of the equipment described herein, FBO shall be liable for any leaks, spills and/or other damage that may result from the handling, storage, or dispensing of fuel.

5. OTHER EQUIPMENT

In regards to Aircraft line service activities, FBO shall provide and maintain adequate Equipment for:

- Tie-down facilities, including rope, chains and other types of restraining devices (e.g. wheel chocks);
- Adequate loading, unloading and towing equipment (tugs and towbars) to safely and efficiently move Aircraft as necessary;
- Repairing and inflating Aircraft tires and servicing struts;
- Changing oil;
- Washing Aircraft and Aircraft windows;
- Recharging or energizing discharged Aircraft batteries;
- Oxygen, nitrogen, and compressed air;
- Lavatory servicing;
- Ground power and air conditioning/heating;
- Aircraft deicing;
- Engine pre-heating
- Cleaning and deodorizing both the interior and exterior of Aircraft;
- Contacting service personnel;
- Tools and jacks for removal of disabled Aircraft from the Airfield;
- Crew/courtesy vehicles.

The quantity of such equipment shall be based upon that required to support the Aircraft normally frequenting the FBO's Premises to include backup/replacement equipment.

6. PERSONNEL

Operator shall have in its employ, on duty, and on Premises during Hours of Activity, courteous, properly trained, fully qualified and certified (if applicable), and current in the function/position for which they are employed and working, personnel in such numbers as are required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each Activity

being conducted in a safe, efficient, courteous, and prompt manner. Operator shall also maintain, during all business hours, a responsible person in charge to supervise the operations on the Premises with the authorization to represent and act for and on behalf of Operator.

Employee Appearance and Conduct:

Operator shall be responsible for the conduct, demeanor, and appearance of its officers, agents, employees and representatives. Employees on duty shall wear uniforms or other suitable business attire consisting of a clean shirt or blouse (bearing company logo), pants or skirt, and shoes or dress boots with socks (no sandals permitted). Uniforms will be of a consistent color theme. Employees shall be trained by Grantee to render high quality, courteous, and efficient service. Grantee shall closely supervise service personnel to assure a high standard of service.

Upon receipt of a written objection from the Director concerning the conduct or demeanor of any of Operator's employees, Operator shall promptly eliminate the basis for the objection and shall take any action reasonably necessary to prevent a recurrence of the same or similar conduct or demeanor.

No offensive or profane language or symbols will be worn or displayed by any employee. Each employee will conduct them self in a professional manner at all times.

Employees not adhering to the above requirements, in the opinion of Director, will be asked to immediately comply or leave the Airport until such time they are in full compliance.

7. HOURS OF ACTIVITY

Aircraft fueling, line services, and passenger, crew, and support amenities shall be continuously offered and available to meet the reasonable demands of the public for this Activity seven (7) days a week (including holidays), twenty-four (24) hours a day. With the prior written approval of the Authority, FBO may not require fueling/line service personnel to be on-site during the hours of 11:00 p.m. and 6:00 a.m. on legal government holidays, provided that such personnel and services are available after- hours, on-call, with a response time not to exceed one (1) hour.

Aircraft Maintenance and Aircraft recovery/removal services shall be continuously offered and available to meet reasonable demand of the public for this Activity no less than five (5) days a week, eight (8) hours a day. Aircraft Maintenance and Aircraft recovery/removal services and personnel shall be available after-hours, on-call, with a response time not to exceed two (2) hours.

The Authority reserves the right to require that facilities be open and staffed during other times based upon the public benefit and/or need.

8. AIRCRAFT AIRFRAME AND POWERPLANT MAINTENANCE

The FBO shall be certified as an FAA Repair Station under FAR Part 145, with at least one aircraft within the below categories on the Repair Station Certificate:

- FBO shall be able to provide Major Aircraft Maintenance service (as defined in FAR Part 43) on airframes, powerplants, and associated systems to aircraft up to Group II turboprop and turbojet Aircraft normally using the Airport.
- FBO shall be able to provide Aircraft Line Maintenance service for aircraft up to Group III turbojet Aircraft not exceeding 100,000 pounds maximum takeoff weight.

An FBO is permitted to subcontract the required Aircraft Maintenance service through a Subcontract and Sublease of its facilities to a qualified SASO with prior written Authority approval.

9. AIRCRAFT RECOVERY/REMOVAL

In order to maintain the operational readiness of the Airport, upon request from the Authority, the FBO shall respond to the Airport and promptly begin the steps necessary to remove disabled Aircraft (up to the largest Aircraft based or routinely serviced at the FBO) from the Airfield during the hours identified under item 7, Hours of Activity, of this Section Four.

10. EXPERIENCE

The Operator, or its key management personnel assigned to and working at the Airport, shall have adequate experience in operating a full-service FBO at another airport similar in levels and type of traffic as the Airport.

SECTION FIVE- SPECIALIZED AVIATION SERVICE OPERATORS (SASO)

1. DEFINITION

A Commercial Operator that provides any one or a combination of Aeronautical Activities. Examples of these services may include Aircraft charter; Aircraft rental; Flight training; Aircraft maintenance; Aircraft sales; Avionics, instrument, accessory or propeller services; Aircraft management; Commercial hangar rental; or other specialized commercial aeronautical flight support businesses. In addition to the General Requirements set forth in Section Three, each SASO shall comply with the following standards set forth in this Section Five.

2. FUEL

A SASO is not permitted to store fuel or dispense fuel on its Premises. However, with the prior written approval of the Authority, a SASO may contract with an FBO to install and operate self-service fueling facilities in an approved location on the Premises of a SASO, and an FBO may fuel aircraft with mobile refueling vehicles on the Premises.

A SASO is not permitted to provide, sell, or dispense aviation fuel to (or barter, trade, or exchange aviation fuel with) the public and/or any other Entity.

3. OTHER

An FBO may Subcontract Aircraft Airframe and Powerplant Maintenance services to a qualified SASO (i.e., a SASO can fulfill that mandatory requirement of an FBO) provided that the Subcontract and/or Sublease Agreement are approved in writing in advance by the Authority. SASOs must meet all applicable requirements for the Subcontracted operation. The FBO shall remain primarily responsible for any services performed by a subcontractor and the compliance by such subcontractor with these Minimum Standards. SASOs can Sublease space from an FBO in order to meet its Minimum Standards as long as the FBO meets the Premises requirement for both the FBO and SASO activity, and prior Authority approval is obtained in writing.

4. SUBLEASING

A SASO shall not sublease space to other Operators, nor shall it permit any Commercial Activities to be conducted on its Premises other than those specifically authorized in the Agreement with the Authority.

5. TEMPORARY SASO OPERATORS

On occasion, an Aircraft Operator may have need for specialized assistance with the maintenance of its Aircraft. When such assistance is not available at the Airport from an existing FBO or SASO, the Authority may allow an Aircraft Operator to solicit and utilize the services of a qualified Entity from off the Airport to provide those services.

If an Aircraft Operator needs such services, the Authority may issue a temporary, 30-day Permit to such an off-Airport Entity to engage in specialized services on the Airport. The Permit may be renewed if necessary until repairs are completed. Such Permit shall require evidence of proper insurance coverage, evidence of proper licenses and certificates, processing of TSA security clearances, etc.

6. MULTIPLE SERVICES

If a SASO desires to operate a combination of any two (2) or more Aeronautical Activities, it shall not be required to duplicate the requirements of the individual activities if the SASO's facilities are sufficient to safely meet both requirements. The Operator shall provide evidence of insurance coverage equal to the highest of the minimums set forth for the individual categories, but is not required to duplicate coverage.

AIRCRAFT CHARTER AND AIR TAXI OPERATOR (SASO)

1. DEFINITION

An Aircraft Charter and Air Taxi Operator is a Commercial Operator engaged in on-demand common carriage of persons or property (as defined in 14 CFR Part 135), or operates in private carriage under 14 CFR Part 125 with its own fleet of Aircraft. Aircraft Charter and Air Taxi Operators providing non-scheduled service to and from the Airport, but not based at the Airport, are exempt from these Minimum Standards. In addition to the General Requirements set forth in Section Three, each Aircraft Charter and Air Taxi Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	32,670 SF (0.75 acre)
Hangar	5,000 SF
Aircraft Ramp/Apron	7,500 SF
Building/Facility	1,250 SF
Vehicle Parking	10 spaces or per city code

Building/Facility shall include an air conditioned customer area having adequate space for (or in the case of a sublease from an FBO, immediate access to) customer lounge, public use telephone and restrooms and an administrative area having adequate and dedicated space for employee offices, work areas and cargo/luggage storage.

Facility requirements can be met either through a sublease arrangement with an FBO, or by direct lease from the Authority.

3. LICENSES AND CERTIFICATION

Operator shall maintain appropriate FAA certification and approvals required to meet the standards set forth in this category including for Operator itself and any Aircraft or other equipment, and copies of such certification and approvals shall be provided to the Authority upon request. Personnel shall be properly certificated by the FAA, current, and hold the appropriate ratings and medical certification for the Aircraft being flown.

4. PERSONNEL

Operator shall have in its employ and on duty during hours of Activity, properly trained, fully qualified, and certificated personnel (with licenses and/or ratings appropriate for the services being provided – and current in the function/position for which they are employed and working) in such numbers as are required to meet the standards set forth for this Activity in a courteous, prompt, and efficient manner and meet the reasonable demands of the public seeking such services, but never less than one (1) chief pilot or the minimum number of persons required to operate the Aircraft being flown, whichever is greater. Operator shall also have sufficient, qualified operating crews and customer service personnel to check-in and ticket passengers, handle luggage, and furnish or arrange ground transportation.

5. EQUIPMENT

Operator shall provide, either owned or under written lease and under the full and exclusive control of Operator the type, class, size and number of Aircraft intended to be used by Operator, but not less than one (1) certified and continuously airworthy multi-engine, or single-engine turbine-

powered, Aircraft which must meet the requirements of the FAA certificate held by Operator. Aircraft shall be certified for and capable of use under instrument meteorological conditions.

6. HOURS OF ACTIVITY

Operator shall be open and services shall be available to meet the reasonable demands of the public for this Activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week. Operator shall provide reasonable after-hours, on-call, response time to customer inquiries.

COMMERCIAL HANGAR OPERATOR (SASO)

1. DEFINITION

A Commercial Hangar Operator (CHO) is a Commercial Operator that develops hangar facilities for the sole purpose of furnishing to the public Aircraft storage hangar facilities on a long-term sublease basis (i.e., one year or longer). No hangar sales or condominium ownership is permitted. A CHO may build bay-style community hangars, individual hangars, Box hangars, T-Hangars, or any combination or type as approved by the Authority. In addition to the General Requirements set forth in Section Three, each Commercial Hangar Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

A Commercial Hangar Operator shall not offer fueling services to its tenants, the public, or to any other Airport users. Cooperative (CO-OP) fueling organizations, or delivery of fuel to Aircraft by off-Airport suppliers or providers, shall not be permitted. With the prior written approval of the Authority and pursuant to a written agreement between the CHO and an FBO, self-service fueling facilities may be installed and operated by an FBO in an approved location on the Premises of a Commercial Hangar Operator.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	43,560 SF (1 acre)
Hangar (bay style)	10,000 SF
T-Hangar	10,000 SF
Box Hangar	4,500 SF
Individual Hangar	2,000 SF
Aircraft Ramp/Apron	1.0 times largest hangar
Customer/tenant Area	450 SF

Building/Facility shall include an air conditioned customer/tenant area having adequate space for customer lounge with restrooms, and an administrative area having adequate and dedicated space for employee offices, work areas and storage.

Bay hangars will allow multiple tenants and Aircraft to occupy the same hangar floor space. Individual hangars are intended for single users. Box hangars may be constructed so as to provide separate spaces for multiple tenants, with no space being less than approximately 1,500 square feet. T-Hangar buildings shall be no smaller than approximately 10,000 square feet, and shall provide space for individual units of no less than approximately 750 square feet each. Size minimums for each type of hangar are approximate, and will be considered on a case-by-case basis as proposed by the Operator.

Minimum leasehold size is also approximate, and actual approved size will depend upon the type, combination and positioning of hangar(s) proposed by the Operator.

3. SPECIFIC CONDITIONS FOR USE

- No transient, guest, or overnight Aircraft storage is permitted. Only long-term leasing (one year or longer) of hangars is allowed.

- Commercial Activities or services (such as flight schools, aircraft charter or air taxi, aircraft maintenance, aircraft sales, or any other SASO Activity where the general public could be invited into the Premises) may be permitted if the proposed Commercial Activity will meet all requirements (including minimum space) of these Minimum Standards, appropriate space is available, proper parking is constructed, and security/access controls are established. Any sublease to a Commercial Operator shall have the prior written approval of the Authority, and that Operator shall obtain a Permit from the Authority to conduct its business.
- The CHO shall not engage in any fueling activities or services. Dispensing of fuel to tenants, the public, or any other Airport user shall not be permitted on the Premises of a Commercial Hangar Operator, except when conducted by an FBO.
- If Aircraft maintenance takes place on the Premises, painting, welding, and any type of hazardous materials storage or operation shall not be permitted unless the facilities are constructed in accordance with applicable codes and Regulatory Measures.
- Storage of non-Aircraft items (e.g., boats or other watercraft, snowmobiles, recreational vehicles, household goods, office equipment, etc.) is not permitted.
- A Non-Commercial Private Hangar Operator, or an Entity which operates Aircraft for its private and non-revenue-producing purposes, shall not be permitted to be a Commercial Hangar Operator.
- Any sub-subleases of hangar spaces require the prior written approval of the Director.
- Operator shall maintain at all times a current list of tenants, and shall provide it to Director upon request.

4. HOURS OF ACTIVITY

Facilities shall be available to customers seven days a week (including holidays), 24 hours a day.

AIRCRAFT MAINTENANCE OPERATOR (SASO)

1. DEFINITION

An Aircraft Maintenance Operator is a Commercial Operator engaged in providing Aircraft Airframe and Powerplant Repair and Maintenance to the public, and includes the sale of Aircraft parts and accessories. In addition to the General Requirements set forth in Section Three, each Aircraft Maintenance Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	43,560 SF (one acre)
Hangar	10,000 SF
Aircraft Ramp/Apron	15,000 SF
Shops and Storage	1,000 SF
Customer and Administrative Area	600 SF
Vehicle Parking	15 spaces or per city code

Minimum facility requirements can be met either through a Sublease from an FBO, or by direct lease with the Authority.

Building/Facility shall include a customer area having adequate space for (or in the case of a Sublease, immediate access to) air conditioned customer lounge, public use telephone and restrooms, an administrative area having adequate and dedicated space for employee offices, work areas and storage, and a maintenance area having adequate and dedicated space for employee work areas, shop areas, and storage for parts and equipment.

Ramp shall include sufficient space for paved parking for Aircraft not in service and/or waiting for service.

3. AIRCRAFT PAINTING

For paint, varnish or lacquer spraying and removal operations, the arrangement, construction, ventilation, and protection of spraying booths, and the storage and disposal of materials, shall be in accordance with federal, state and locally recognized fire prevention and environmental standards.

4. LICENSES AND CERTIFICATION

Operator shall hold the appropriate FAA Part 145 Repair Station certificate, with ratings equal to the work being performed. In the case of a new operation, Operator must acquire all applicable Repair Station certifications within six (6) months of operation initiation. However, should the Operator be unable to obtain Part 145 certification within this time period due to factors beyond its control, and a good faith effort can be demonstrated, the Authority may reasonably extend the deadline for compliance.

5. PERSONNEL

Operator shall have in its employ and on duty during hours of Activity, properly trained, fully qualified, and certificated personnel (with licenses and/or ratings appropriate to the services being performed – and current in the function/position for which they are employed and working) in such numbers as are required to meet the standards for this Activity in a courteous, prompt, and efficient manner to meet the reasonable demands of the public seeking such services, but never less than one

(1) FAA certificated A&P mechanic. Operator shall also have a person with an FAA Inspection Authorization (IA) certificate available who can supervise and inspect the work for which the Repair Station is rated.

6. EQUIPMENT

Operator shall provide sufficient tools, equipment, supplies and parts required for certification by FAA as an approved Repair Station and to meet customer demand.

7. HOURS OF ACTIVITY

Operator shall be open and services shall be available to meet the reasonable demands of the public for this Activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week and available after hours, on-call, with a response time not to exceed two (2) hours.

AVIONICS, INSTRUMENT, ACCESSORY AND/OR PROPELLER MAINTENANCE OPERATOR (SASO)

1. DEFINITION

An Avionics, Instrument, Accessory and/or Propeller Maintenance Operator is a Commercial Operator engaged in the business of maintenance, alteration, or sale of one or more of the items described in 14 CFR Part 43, Appendix A (e.g., Aircraft radios, electrical systems, instruments, or propellers). In addition to the General Requirements set forth in Section Three, each Avionics or Instrument Maintenance Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

2. PREMISES

FOR OPERATORS PERFORMING WORK BEYOND BENCHMARK (REMOVAL AND REPLACEMENT OF PARTS FROM AIRCRAFT)

AREA TYPE	MINIMUM SIZE
Leasehold Ground	43,560 SF (one acre)
Hangar	10,000 SF
Aircraft Ramp/Apron	15,000 SF
Maintenance Area, Shops & Parts Storage	1,500 SF
Customer and Administrative Area	600 SF
Vehicle Parking	15 spaces, or per city code

Facility requirements may be met by a Sublease from an FBO, or by direct lease with the Authority.

For Operators performing only benchmark repairs, facility requirements shall be as needed to meet the demands of the service work being performed.

Building/Facility shall include a customer area having adequate space for (or in the case of a Sublease, immediate access to) air conditioned customer lounge, public use telephone and restrooms, an administrative area having adequate and dedicated space for employee offices, work areas and storage, and a maintenance area having adequate and dedicated space for employee work areas, shop areas, and storage for parts and equipment.

3. LICENSES AND CERTIFICATION

Operator shall hold the FCC and FAA Repair Station certificates appropriate for the types of equipment it plans to service and/or install. In the case of avionics repair, the ratings shall be, at a minimum, for Class I and Class II repairs. In the case of a new operation, Operator must acquire all applicable Repair Station certifications within six (6) months of operation initiation.

4. PERSONNEL

Operator shall have in its employ and on duty during hours of Activity, properly trained, fully qualified, and certificated personnel (with licenses and/or ratings appropriate for the work being performed – and current in the function/position for which they are employed and working) in such numbers as are required to meet the standards set forth in this Activity in a courteous, prompt, and efficient manner to meet the reasonable demands of the public seeking such services, but never less than one (1) person.

5. EQUIPMENT

Operator shall provide sufficient tools, equipment, supplies, and access to (availability of) parts to equivalent to that required for certification by FAA as an approved repair station.

6. HOURS OF ACTIVITY

Operator shall be open and services shall be available to meet the reasonable demands of the public for this Activity during normal business hours (8:00 a.m. – 5:00 p.m.) - five (5) days a week and available after hours, on call.

AIRCRAFT RENTAL AND/OR FLIGHT TRAINING OPERATOR (SASO)

1. DEFINITION

An Aircraft Rental Operator is a Commercial Operator engaged in the rental of Aircraft to the public to include any necessary competency checks, check rides and/or transition training associated with Aircraft Rental Activities. In addition to the General Requirements set forth in Section Three, each Aircraft Rental Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

A Flight Training Operator is a Commercial Operator engaged in providing flight instruction to the public including flight training using fixed and/or rotary wing Aircraft and providing such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilot certificate(s) and rating(s) involved. In addition to private pilot and commercial pilot license and instrument rating training, Operator provides recurrent training (e.g. biennial flight review, instrument competency check, etc.).

In addition to the General Requirements set forth in Section Three, each Flight Training Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	21,780 SF (one-half acre)
Hangar	5,000 SF
Aircraft Ramp/Apron	7,500 SF
Classroom, Administrative & Customer Area	2,000 SF
Vehicle Parking	10 spaces, or per city code

Facility requirements can be met either through a Sublease from an FBO, or by a direct lease with the Authority.

Building/Facility shall include a customer area having adequate space for (or in the case of a sublease/sublicense, immediate access to) classrooms, customer lounge, public use telephone and restrooms and an administrative area having adequate and dedicated space for employee offices, work areas and storage.

3. LICENSES AND CERTIFICATION

Operator shall meet and maintain all applicable requirements for the services offered. Personnel shall be properly certified by the FAA, current, and hold the appropriate ratings and medical certification in the Aircraft being flown.

4. PERSONNEL

Operator shall have in his employ and on duty during hours of Activity, properly trained, fully qualified, and certified personnel (with licenses and/or ratings appropriate to the services being performed– and current in the function/position for which they are employed and working) in such number as are required to meet the standards for this Activity in a courteous, prompt, and efficient manner to meet the reasonable demands of the public seeking such services, but never less than one (1) Certified Flight Instructor. In addition to being properly certified by the FAA and being able to provide the type of flight training offered, flight instructors shall be able to provide competency flight checks for all Aircraft available for rental.

5. EQUIPMENT

Operator shall have an adequate number of aircraft available, either owned or under written lease, to meet the customer demand for its services, but never less than at least two (2) properly certified and continuously airworthy single engine Aircraft, one of which shall be equipped for flight in instrument conditions.

Flight Training Operators shall provide, at a minimum, adequate classroom facilities, mock-ups, audio-video materials, or other training aids necessary to provide proper and effective ground school instruction.

6. HOURS OF ACTIVITY

Operator shall be open and services shall be available to meet the reasonable demands of the public for this Activity during normal business hours (8:00 a.m. – 5:00 p.m.), five (5) days a week. After-hours service should be available as customer needs dictate.

7. INDEPENDENT FLIGHT INSTRUCTORS

A person holding a current FAA flight instructor's certificate, who gives flight instruction to an owner of an Aircraft in the owner's Aircraft, shall not be deemed a Commercial Activity and is exempt from these Minimum Standards. However, should such an individual wish to obtain an Airport ID badge for unescorted access to the General Aviation ramp, then that person must obtain a Permit from the Authority. The Permit shall require:

- Proof of FAA licenses and certificates
- Proof of liability insurance coverage
- Successful clearance by the TSA of a security background investigation and threat assessment

Ground school briefing/debriefing may be provided off-Airport or on the Airport in space subleased from, or authorized by, an FBO, but such instruction shall not be conducted in public areas of the Airport.

AIRCRAFT SALES OPERATOR (SASO)

1. DEFINITION

An Aircraft Sales Operator is a Commercial Operator engaged in the sale of new and/or used Aircraft. In addition to the General Requirements set forth in Section Three, each Aircraft Sales Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

New Aircraft Sales: Operator may engage in the sale of new Aircraft through franchises or licensed dealerships (if required by local, county or state authority) or distributorship (either on a retail or wholesale basis) of an Aircraft manufacturer; and provide such repair, services, and parts as necessary to meet any guarantee or warranty of Aircraft sold.

Used Aircraft Sales: Operator may engage in the purchase and/or sale of used Aircraft accomplished through various methods including Aircraft brokering, assisting a customer in the purchase or sale of an Aircraft, or purchasing used Aircraft and marketing them to potential purchasers.

Operator shall provide necessary and satisfactory arrangements for repair and servicing of Aircraft, for the duration of any sales guarantee or warranty period. Operator shall have a representative example of the product available for demonstration.

2. PREMISES

Operator shall have adequate facilities to meet its customer demand with sufficient space for:

- Aircraft ramp to accommodate its inventory of Aircraft
- Air conditioned space for salesroom, offices, restrooms and other customer needs
- Hangar, shop and parts storage space if providing warranty maintenance and service

Operator may provide facilities using a Sublease from an FBO, or by direct lease from the Authority.

Building/Facility shall include a customer area having adequate space for (or in the case of a sublease/sublicense, immediate access to) customer lounge, public use telephone and restrooms and an administrative area having adequate and dedicated space for employee offices, work areas and storage.

3. LICENSES AND CERTIFICATIONS

Operator shall maintain all applicable licenses, certifications and ratings. Personnel shall be properly certified by the FAA, current, and hold the appropriate ratings and medical certification for providing flight demonstration in all Aircraft being offered for sale.

4. PERSONNEL

Operator shall have in his employ and on duty during hours of Activity, properly trained, fully qualified, and certified personnel (with licenses and/or ratings appropriate to the services being performed – and current in the function/position for which they are employed and working) in such number as are required to meet the standards for this Activity in a courteous, prompt, and efficient manner to meet the reasonable demands of the public seeking such services, but never less than one (1) commercial pilot.

5. EQUIPMENT

Operator shall have access to an inventory of spare parts for the type of new Aircraft for which sales privileges are granted.

6. HOURS OF ACTIVITY

Operator shall be available to meet the reasonable demands of the public for this Activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week.

AIRCRAFT MANAGEMENT OPERATOR (SASO)

1. DEFINITION

An Aircraft Management Operator is a Commercial Operator engaged in the business of providing Aircraft management services to the public for Aircraft not owned by the Operator including, but not limited to, flight scheduling and dispatching, provision of flight crew (pilot) services, and/or coordinating Aircraft fueling, line services, ground handling, maintenance, and storage.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	32,670 SF (0.75 acre)
Hangar	5,000 SF
Aircraft Ramp/Apron	7,500 SF
Building/Facility	1,250 SF
Vehicle Parking	10 spaces, or per city code

Building/Facility shall include a customer area having adequate space for, or in the case of a Sublease, immediate access to customer lounge, public use telephone, restrooms, and an administrative area having adequate and dedicated space for employee offices, work areas and storage.

Premise requirements may be met directly via a lease agreement with the Authority, or indirectly via an approved Sublease with an FBO. Further, Premise requirements may be met through using the facilities of the Operator's customer(s) (Aircraft Owner) who have based Aircraft at the Airport, and who may have their own Non-Commercial Private Hangar.

3. LICENSES AND CERTIFICATION

Operator shall maintain the appropriate FAA certification and approvals required to meet the standards set forth in this category including Operator itself and for any Aircraft or other equipment. Personnel shall be properly certified by the FAA, current, and hold the appropriate ratings and medical certification in the Aircraft being flown.

4. PERSONNEL

Operator shall have in his employ and on duty during hours of Activity, properly trained, qualified, and certified personnel (with licenses and/or ratings appropriate for the services being provided – and current in the function/position for which they are employed and working) in such numbers as are required to meet the standards set forth for this Activity in a courteous, prompt, and efficient manner and meet the reasonable demands of the public seeking such services, but never less than the minimum number of persons required to operate Owner's Aircraft.

5. EQUIPMENT

Aircraft under management may be owned or leased by a single Entity or multiple entities (including fractional ownership, provided such ownership structure is in compliance with all applicable Regulatory Measures). A major shareholder, partner, member or Owner of the Aircraft under management may also utilize the Aircraft.

6. HOURS OF ACTIVITY

Operator shall be available to meet the reasonable demands of its customers.

SPECIALIZED COMMERCIAL AERONAUTICAL OPERATOR (SASO)

1. DEFINITION

A Specialized Commercial Aeronautical Operator is a Commercial Operator (SASO) engaged in providing: (1) limited Aircraft services and support, (2) miscellaneous commercial services and support, or (3) limited air transportation services for hire. In addition to the General Requirements set forth in Section Three, each Specialized Commercial Aeronautical Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

2. SCOPE OF ACTIVITIES

Activities may include, but are not limited to:

- a. Sightseeing flights that begin and end at ICT; or
- b. Crop-dusting, seeding, spraying; or
- c. Banner towing and/or aerial advertising; or
- d. Aerial photography and/or survey; or
- e. Power line and/or pipeline patrol; or
- f. Aerial firefighting; or
- g. Aircraft cleaning and detailing; or
- h. Air ambulance; or
- i. Aircraft painting, upholstery, or interior shops; or
- j. Flight simulator training or ground schools; or
- k. Aircraft restoration or refurbishment shops; or
- l. Any other operations specifically excluded from 14 CFR Part 135.

3. PREMISES

Operator shall have sufficient facilities to meet its customer demand. Building/Facility shall include a customer area having adequate space for, or in the case of a Sublease from an FBO, immediate access to customer lounge, public use telephone, restrooms, and an administrative area having adequate and dedicated space for employee offices, work areas and storage.

Premise requirements may be met directly via a lease agreement with the Authority, or indirectly via an approved Sublease with an FBO.

4. LICENSES AND CERTIFICATIONS

Operator shall have all licenses and certificates that are required to conduct the Activity.

5. PERSONNEL

Operator shall have in his employ and on duty during hours of Activity, properly trained, qualified, and certified personnel (with licenses and/or ratings appropriate for the services being provided or Activities being conducted – and current in the function/position for which they are employed and working) in such numbers as are required to meet the reasonable demands of the public seeking such services in a courteous, prompt and efficient manner.

6. EQUIPMENT

Operator shall have, either owned or under written lease to Operator, sufficient Vehicles, Equipment, and, if appropriate to the specific Activity, continuously airworthy Aircraft. Operator shall have sufficient supplies and parts available to support the Activity.

7. HOURS OF ACTIVITY

Operator shall be open and services shall be available during hours required to meet the demand for its services.

SECTION SIX- NON-COMMERCIAL OPERATORS

NON-COMMERCIAL PRIVATE HANGAR OPERATOR

1. DEFINITION AND PURPOSE

A Non-Commercial Private Hangar Operator is an Entity that develops, constructs, and/or leases one or more hangar structures for the sole purpose of storing its own Aircraft which are used and operated for Private Non-Commercial purposes only. In addition to the General Requirements set forth in Section Three, each Non-Commercial Private Hangar Operator at the Airport shall comply with the following minimum standards set forth in this Section Six.

Operator shall only use the Premises for Aircraft owned, leased, and/or operated by (and under the full and exclusive control of) Operator for Private Non-Commercial purposes.

No Commercial Activity of any kind shall be permitted on or from the Premises. No aeronautical services of any kind except operation and servicing of its own aircraft shall be permitted on the Premises. Hangar, office, shop or ramp space shall not be shared, subleased, or used by anyone other than the Lessee of the Premises. Operator shall not sell, barter, trade, or exchange any aeronautical goods and services with any other Entity. Operator shall not participate in any cooperative Aeronautical Activities with any other Entity, and shall not engage in any joint activities or share any resources with any other Entity or person.

Operator shall use the leased Premises solely for storage, maintenance and servicing of its own Aircraft. Operator may store, fuel, maintain, repair, adjust, clean, and otherwise service its own Aircraft (as defined in this section) in accordance with all applicable Regulatory Measures provided the Operator does so with Operator's own Employees, vehicles, equipment, and resources.

Operator shall not sell, barter, trade, share, sublease or in any other manner provide hangar space or services to any other Airport Operator or tenant, business, or user, or to any other Aircraft except those Aircraft owned or leased for the exclusive use of the Operator designated in the lease agreement with the Authority.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	43,560 SF (one acre)
Hangar	10,000 SF
Aircraft Ramp/Apron	10,000 SF
Vehicle parking (on leasehold)	15 spaces, or per city code if greater
Fuel storage capacity	10,000 gallons for each grade of fuel used

The leasehold shall contain not less than the square footage of land as shown above in order to provide adequate space for all buildings; paved Aircraft parking apron; on-site paved automobile parking as required by city codes; vehicular driveways and service access ways; any required minimum building setbacks from edges of the leasehold; and any required stormwater detention or treatment areas. If the Operator desires to construct its own aviation fuel farm facility, such facility shall be located within the leasehold area, or in an off-leasehold area designated by the Authority, subject to applicable building and fire codes. In addition to the minimum leasehold requirement for hangar facilities, the Operator shall provide at its own expense, paved taxiway access to the Airport's existing taxiway system. All Aircraft pavement provided by Operator shall be designed and constructed in full conformance with applicable Authority and FAA standards for the largest type of Aircraft expected to use the Premises.

3. FUEL FACILITIES AND EQUIPMENT

If self-service fueling facilities are desired, Operator shall construct and maintain on the leasehold Premises (or other location designated by the Authority) its fuel facilities at its own expense. Operator shall conduct self-fueling operations in compliance with all applicable Federal, State, local and fueling industry laws, ordinances, standards and regulations, as well as Airport Rules and Regulation and Standard Operating Procedures. Operator shall obtain and maintain a Non-Commercial Airport Fueling Permit from the Authority.

Fuel farm facilities shall be installed with above-ground storage tanks containing a minimum of 10,000 gallons capacity each for FAA-approved turbine aviation fuels and/or aviation gasoline as anticipated to be used by the Operator, along with properly metered and filtered fixed dispensers. No mobile fuel dispensing equipment shall be permitted, unless the approved fuel farm is located off the leased Premises.

Alternatively, an Operator may choose to contract with an FBO to install and operate self-service fuel facilities on its Premises with the prior written approval of the Authority.

4. SPECIFIC CONDITIONS FOR USE OF PREMISES

- Only one (1) tenant shall be permitted to lease, use and occupy a hangar and its facilities. The hangar and all facilities shall be leased by a single Entity and all Aircraft serviced, stored in, or operating out of, hangar must be owned and/or leased and under the full and exclusive control of the same Entity or its corporate affiliates or subsidiaries.
- No subleasing or sharing of hangar, office, shop, fueling equipment, or ramp space shall be permitted.
- No condominium, association, club, or cooperative ventures shall be permitted.
- Aircraft based and serviced upon the Premises shall be directly and wholly owned by, or exclusively leased in writing for a minimum period of six (6) months to the Operator. If Aircraft is leased, Operator shall, upon request, provide the Director with a copy of the Aircraft lease. The Director will determine if an Aircraft lease is commercially reasonable.

- All maintenance, fueling, and service work conducted on the Premises and performed on the Operator's Aircraft shall be performed only by employees of the Operator, or by any FBO or SASO based upon the Airport. Painting, welding, and any type of hazardous materials storage or operation shall not be permitted, unless the facilities are constructed in accordance with applicable codes and Regulatory Measures. Specialized Aircraft maintenance services may be conducted in accordance with these Minimum Standards in cases where such services are not offered by an FBO or SASO on the Airport, and an outside contractor must be utilized on a temporary basis and it obtains a Permit from the Authority.
- A Non-Commercial Private Hangar Operator must be an Entity, person, individual, firm, company, corporation, partnership or a joint venture which has substance under State Law and a specific legal identity and corporate purpose as registered with the Secretary of State in the Operator's state of corporate residence. Said corporate purposes shall not in any way, shape, or form be related to the commercial use or operation of Aircraft to the public for hire.
- Operator shall not sell, barter, trade, share, exchange, or otherwise dispense fuels to any Aircraft that are not owned, leased, and/or operated by (and under the full and exclusive control of) Operator. Joint or co-operative fueling (co-op fueling) is prohibited. Any of the above activities shall be grounds for immediate revocation of fueling privileges by the Director.
- No Commercial Activities or services of any kind (such as flight schools, aircraft charter or air taxi, aircraft maintenance, aircraft sales, or any other SASO Activity where the general public could be invited into the Premises) shall be permitted on or from the Premises. Operator shall not engage in any activities reserved to Fixed Base Operators or other Commercial Operators (SASOs). Commercial activity is herein defined as the operation of any business for the exchange, trading, buying, hiring, selling or bartering of any commodities, goods, services or property of any kind or any other revenue-producing activity, whether or not a profit is produced.

NON-COMMERCIAL FRACTIONAL PRIVATE HANGAR (FHO) OPERATOR

1. DEFINITION

A Non-Commercial Fractional Private Hangar Operator (FHO) is a Non-Commercial Operator that develops, constructs and operates shared ownership private hangar facilities for the sole purpose of storing Operator's Aircraft which will be used and operated for Non-Commercial purposes. In this Section, "Operator" refers to the Entity holding the lease agreement with the Authority, and/or to its individual owners. In addition to the General Requirements set forth in Section Three, each Fractional Hangar Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Six.

A Non-Commercial Fractional Private Hangar Operator may offer hangar storage and/or fueling services on its Premises only to the owners of a unit in a fractionally-owned hangar, provided (i) that if the owner is an individual, the identity of any of the owners of a fractional interest in a Hangar shall be identical to the identity of the owners of the Aircraft receiving hangar storage and/or fueling services; or (ii) if the owner is an Entity (whether a corporation, partnership, limited liability partnership, limited liability corporation) of a fractional interest in a Hangar, then the stockholder, members, or partners within such entity shall be the same, both in ownership percentage interest and identity as the stockholder, members or partners of the Entity which owns the Aircraft receiving hangar storage and/or fueling services. A Non-Commercial Fractional Hangar Operator shall not offer hangar storage and/or fueling services contrary to these provisions, or to the public, or to any other Airport users. Under no circumstances may an Aircraft be fueled by the FHO or stored on the Premises if the Aircraft is not owned or exclusively leased by the Operator, or an individual or Entity which is an owner of a fractional interest in the Hangar.

2. PREMISES

AREA TYPE	MINIMUM SIZE
Leasehold Ground	43,560 SF (1 acre)
Hangar	12,000 SF
Aircraft Ramp/Apron	12,000 SF
Vehicle Parking	15 spaces, or per city code if greater
Fuel storage capacity	10,000 gallons for each grade of fuel used

Fractionally-owned Hangars may be subdivided into units of no less than 1,500 SF each of Hangar floor space for the purpose of creating condominium leasehold spaces for multiple owners. Owners shall purchase space equal, at a minimum, to the size of aircraft based at the facility, but no less than 1,500 SF. Only Aircraft based at the facility shall be allowed to utilize on-site self-service fueling facilities, if any.

There shall be a maximum of one (1) owner per ownership unit. There shall be no further splitting or division of any ownership interest in a unit by the owner thereof, or assignment of any part of an ownership interest in the unit by the owner thereof.

The leasehold shall contain not less than the square footage of land as shown above in order to provide adequate space for all buildings; paved Aircraft parking apron; on-site paved automobile parking as required by city codes; vehicular driveways and service access ways; any required minimum building setbacks from edges of the leasehold; and any required stormwater detention or

treatment areas. If the Operator desires to construct its own aviation fuel farm facility, such facility shall be located within the leasehold area, or in an off-leasehold area designated by the Authority, subject to applicable building and fire codes. In addition to the minimum leasehold requirement for hangar facilities, the Operator shall provide at its own expense, paved taxiway access to the Airport's existing taxiway system. All Aircraft pavement provided by Operator shall be designed and constructed in full conformance with applicable Authority and FAA standards for the largest type of Aircraft expected to use the Premises.

3. SPECIFIC CONDITIONS FOR USE OF PREMISES

- Only Aircraft which are owned or exclusively leased and operated by owners of the FHO for Private Non-Commercial purposes may utilize the Premises or fueling facilities.
- Storage, maintenance, or fueling of Aircraft not owned or exclusively leased by owners of the Operator shall not be permitted. Aircraft of guests of Operator may temporarily park on the Premises, but no overnight storage or fueling shall be permitted.
- No Commercial Activities or services of any kind (such as flight schools, aircraft charter or air taxi, aircraft maintenance, aircraft sales, or any other SASO Activity where the general public could be invited into the Premises) shall be permitted on or from the Premises. Operator shall not engage in any activities reserved to Fixed Base Operators or other Commercial Operators (SASOs). Commercial activity is herein defined as the operation of any business for the exchange, trading, buying, hiring, selling or bartering of any commodities, goods, services or property of any kind or any other revenue-producing activity, whether or not a profit is produced.
- No long-term storage of non-Aircraft items (e.g., boats or other watercraft, snowmobiles, recreational vehicles, household goods, office equipment, etc.) is permitted.
- Operator shall not sell, barter, trade, share, exchange, sublease or in any other manner provide hangar or ramp space, office space, shop space, or services to any other Airport tenant, business, or user, or to any other Aircraft except those Aircraft owned or leased by (under the full and exclusive control) the Operator or its owners.
- Operator shall not sell, barter, trade, share, exchange, or otherwise dispense fuels to any Aircraft that are not owned by, or leased by (under the full and exclusive control) the Operator or its owners. Any such activities shall be grounds for immediate revocation of fueling privileges by the Director.
- Operator shall use the leased Premises solely for storage, maintenance and servicing of its own Aircraft. Operator may store, fuel, maintain, repair, adjust, clean, and otherwise service its own Aircraft in accordance with all applicable Regulatory Measures provided the Operator does so with Operator's own Employees, vehicles, equipment, and resources.
- Aircraft based and serviced upon the Premises shall be owned by Operator, or any of Operator's owners, or exclusively leased in writing by Operator or its owners for a minimum period of six (6) months. If Aircraft is leased, Operator shall, upon request, provide the Director with a copy of the Aircraft lease. The Director will determine if an Aircraft lease is commercially reasonable.

- All maintenance, fueling, and service work conducted on the Premises and performed on the Operator's Aircraft shall be performed only by employees of the Operator or its individual owners, or by any FBO or SASO based upon the Airport. Painting, welding, and any type of hazardous materials storage or operation shall not be permitted, unless the facilities are constructed in accordance with applicable codes and Regulatory Measures. Specialized Aircraft maintenance services may be conducted in accordance with these Minimum Standards in cases where such services are not offered by an FBO or SASO on the Airport, and an outside contractor must be utilized on a temporary basis and it obtains a Permit from the Authority.
- A Non-Commercial Fractional Private Hangar Operator must be an Entity, person, individual, firm, company, corporation, partnership or a joint venture which has substance under State Law and a specific legal identity and corporate purpose as registered with the Secretary of State in the Operator's state of corporate residence. Said corporate purposes shall not in any way, shape, or form be related to the commercial use or operation of Aircraft to the public for hire.
- A Non-Commercial Fractional Private Hangar Operator shall not utilize or cause the Premises to be used for speculative development. All owners of the Operator shall be declared to the Authority at the time the Application for Lease Agreement is submitted. However, individual ownership interests may be sold after the initial period of beneficial occupancy, and such new owners shall be declared to the Authority. Each owner shall be required to demonstrate ownership as requested by the Authority from time to time.

4. FUEL FACILITIES AND EQUIPMENT

If self-service fueling facilities are desired by Operator, Operator shall construct and maintain on the leasehold Premises (or other location designated by Authority) its fuel facilities at its own expense. Operator shall conduct self-fueling operations in compliance with all applicable Federal, State, local and fueling industry laws, ordinances, standards and regulations, as well as Airport Rules and Regulations and Standard Operating Procedures. Operator shall obtain and maintain a Non-Commercial Airport Fueling Permit from the Authority.

Fuel farm facilities shall be installed with above-ground storage tanks containing a minimum of 10,000 gallons of capacity each for FAA-approved turbine aviation fuel and/or aviation gasoline, as dictated by the anticipated needs of Operator, along with properly metered and filtered fixed dispensers. No mobile fuel dispensing equipment shall be permitted, unless the approved fuel farm is located off the leased Premises.

Alternatively, an Operator may choose to have an FBO install and operate self-service fueling facilities on its Premises with the prior written approval of the Authority.

NON-COMMERCIAL PRIVATE FLYING CLUBS

A Non-Commercial Private Flying Club is an Entity that is legally formed as a non-profit Entity within the State of Kansas, operates on a non-profit basis so as not to receive revenues greater than the costs to operate, maintain, acquire and/or replace club Aircraft. Such club restricts membership from the general public and does not advertise its availability.

A Private Flying Club desiring to base Aircraft and operate at the Airport must comply with the applicable provisions of this section of the Minimum Standards and all other applicable Regulatory Measures including Airport Rules and Regulations. A Private Flying Club shall not be required to meet the minimum standards for Aircraft Rental or Flight Training Operators.

Each member must have an ownership interest in the club.

No member of a Private Flying Club shall receive compensation (be paid) for services provided to the Private Flying Club or its members unless such member is an authorized Commercial Operator (i.e., FBO or SASO). Flight instructors who are club members may be compensated for flight instruction provided to club members. Only members of the club may perform flight instruction to club members in club aircraft.

No member shall use Private Flying Club Aircraft in exchange for compensation (payment). This does not include reimbursement for expenses associated with the use of Private Flying Club Aircraft.

The ownership of the Aircraft shall be vested in the name of the Private Flying Club or owned in equal shares by all of its members. The property rights of the members of the Private Flying Club shall be equal and any part of the net earnings of the Private Flying Club to be distributed to the members shall be in equal shares to all members. The Private Flying Club shall not derive greater revenue from the use of its Aircraft than the amount necessary for its actual operation, maintenance, and replacement or upgrade of its Aircraft. Private flying club Aircraft shall not be used for rental to non-members, or by anyone for charter or lease.

Private Flying Clubs may not offer any commercial services, and may not offer or conduct charter, air taxi or Aircraft rental operations. They may not conduct Aircraft flight instruction except to club members, and only members of the Private Flying Club may operate the Aircraft (including flight instructors), except for ferrying operations or maintenance flight checks. Any qualified mechanic who is a registered member and part Owner of the Aircraft owned and operated by a Private Flying Club shall not be restricted from doing maintenance work on Aircraft owned by the Private Flying Club.

The Private Flying Club shall register with the Department and upon request, furnish the Department with a copy of its charter and bylaws, articles of incorporation, partnership or membership agreement(s), and/or other documentation supporting its existence; a roster, or a list of officers and directors (to be revised on an annual basis); number and type of Aircraft; evidence that ownership is vested in the Private Flying Club; and the operating rules of the Private Flying Club. The books and other records of the Private Flying Club shall be available for review at any reasonable time by the Department or an authorized agent.

SECTION SEVEN - OPERATORS SERVING ONLY

AIRLINES

GROUND SERVICE EQUIPMENT (GSE) MAINTENANCE OPERATOR

STATEMENT OF CONCEPT

This Specialized Aeronautical Service Operator maintains Aircraft ground support equipment for Air Carriers. This category includes GSE rental services to airlines and other specialized maintenance services such as contract maintenance support for ramp equipment, baggage systems and passenger loading bridges. Any vehicle maintenance work shall be performed in properly equipped shops with trained mechanics, and in accordance with Authority Standard Operating Procedures and Rules and Regulations.

MINIMUM STANDARDS

1. FACILITIES

- a. The facility shall be structurally suitable and code compliant with appropriate fire separation per current City Fire and Building Code for occupancy and use.
- b. Fire protection and detection equipment shall be installed and maintained in good working order and shall be inspected and tested in compliance with applicable codes.
- c. All floor drains shall be equipped with an oil/water separator maintained according to City Ordinance. The GSE Operator is required to protect any oil/water separator equipped floor drains to minimize any contaminants from entering the wastewater system.
- d. Any welding, cutting, or other “hot work” shall be done only in those areas approved by the Authority. These areas must be kept free of all combustibles. All equipment shall be in good working order and approved fire extinguishers shall be available in accordance with Fire Code.
- e. Generally, all maintenance activities shall be done within the facility. Any large equipment that cannot fit into the facility, such as large fuel tankers or pushback tugs, may have periodic light maintenance work done elsewhere on the leased Premises provided all appropriate safety measures and spill containment requirements are met. Any maintenance, except for emergency maintenance, on a terminal gate is strictly prohibited.

Any emergency maintenance in the terminal areas should be coordinated through Airport Operations on a case-by-case basis. Maintenance that is strictly forbidden in a gate area includes: any oil and filter changes, welding, and other hazardous operations.

- f. Any vehicle washing shall be done in accordance with the approved Stormwater Pollution Prevention Plan (SWPPP) for the facility and best management practices (BMP), as directed by the Authority’s Environmental Division.

- g. All GSE facilities shall comply with WAA policies, local, state, and federal law. If there is a conflict between the WAA policy and the City Code, the City Code shall prevail.
- h. Painting – Vehicle touch up painting, within the limits defined by EPA, is allowed provided it meets all other criteria. Painting of entire vehicles will only be allowed in a properly designed and ventilated paint booth.
- i. Vehicle Parking – All vehicles shall be parked in an orderly fashion in properly marked and designated areas.

2. EQUIPMENT

- a. The Operator shall have the usual and typical equipment and trade fixtures, either owned or leased, for providing the services necessary to the Operator.
- b. Any GSE Operator needing to store equipment shall do so either on their leased Premises or off-premise on Authority-owned apron. The GSE Operator shall be required to enter into a lease for the off-premise storage area with the Authority.
- c. Disabled Equipment – The GSE Operator shall have the means to remove disabled equipment from the operational areas of the airport within the times set below:
 - i. Ramp or Gate Areas – Any disabled equipment shall immediately be removed from the area.
 - ii. Service Roads – Disabled equipment shall be removed within 30 minutes. The GSE Operator may elect to do this with their own equipment or they can satisfy this requirement with a contract with a towing firm that can respond within the specified times.
- d. Unserviceable equipment storage is not allowed and shall be removed from the Premises within 30 days. Equipment waiting on parts shall also be repaired within 30 days or be removed off-site for storage.

3. HOURS OF OPERATION

This Operator shall have services available as required by the customer.

4. PERSONNEL AND TRAINING

- a. The Operator shall have at least one supervisor on duty at all times.
- b. Employees shall be trained on a regular basis on the operation of fire protection equipment and emergency procedures.
- c. An authorized employee or other designated properly trained person shall make a daily inspection of the facility and shall be responsible for the prompt removal or repair of any hazardous condition, including proper maintenance and safety devices and the immediate removal or proper storage of accumulations of combustible materials.
- d. All employees will be trained on proper procedures for handling and cleaning up any hazardous wastes.

5. INSPECTION

The facility may be inspected at any time for compliance to this standard or any other applicable codes by the Authority or other code compliance entities.

6. PERMIT AGREEMENT

- a. The Operator must have a fully executed and approved Permit Agreement with the Authority.
- b. Each Operator shall provide the Authority with a signed copy of all written agreements or contracts with customers at the Airport.

7. DEFINITIONS

- a. Major Repairs: fluids and filter changes, lubrication, inspection, and similar minor automotive maintenance work.

Examples of minor repairs would be:

- Engine tune-ups
- Brake system repairs
- Small component change outs
- Tire repair and rotations
- Paint touch up

- b. Major Repairs: work that would require specialized training and tools to perform.

Examples of major repairs would be:

- Engine Overhauls
- Repairs that would require draining or removing the fuel tank or opening the fuel system.
- Welding or other “Hot” work.
- Body and fender work
- Any painting in excess of the maximum allowed by EPA

AIR CARRIER LINE MAINTENANCE OPERATOR

STATEMENT OF CONCEPT

An Air Carrier Line Maintenance Operator is a person, firm, corporation or other Entity that provides routine and non-routine line maintenance in accordance with an Air Carrier's instructions and procedures. These Operators are mobile and often provide their services from a vehicle that is a well-equipped mobile workshop.

MINIMUM STANDARDS

1. FACILITIES

The actual facilities will depend on the services rendered to the airlines and the availability of space at the Airport. Equipment parking needs will likewise be handled individually.

2. EQUIPMENT

The Operator shall have all of the tools and equipment required to perform the services outlined in the Operator's contract with the Air Carrier, unless they are provided by the Air Carrier.

3. HOURS OF OPERATION

The Operator shall provide services in a timely manner during the hours specified by the air carrier.

4. PERSONNEL AND TRAINING

- a. The Operator shall have in its employ, and on duty during the appropriate business hours, sufficient trained personnel to meet the airline's requirements.
- b. The Operator shall have a duly appointed supervisor during business hours with the authority to represent and act for and on the behalf of the Operator.

5. PERMIT AGREEMENT

An Operator in this category may contract directly with and provide services to any Signatory or Non-Signatory Air Carrier at ICT provided they shall:

- Execute a Permit Agreement with the Authority.
- Each Operator shall provide the Authority with a signed copy of all agreements or contracts with an airline(s) serving the Airport.

AIR CARRIER GROUND HANDLING OPERATOR

STATEMENT OF CONCEPT

An Air Carrier Ground Handling Operator, or “ground handler,” is a person, firm, corporation or other Entity that engages in providing the following services to the airlines at the terminal facilities. The actual services to be provided will vary from airline to airline. This list is not intended to be all-inclusive and is provided as an example of the types of services that are typical of this category.

- Aircraft Marshalling and Parking
- Ramp to Flight Deck Communication
- Loading and Unloading of Passengers or Baggage
- Starting of Aircraft
- Moving of Aircraft
- Exterior Cleaning
- Interior Cleaning
- Lavatory Service
- Water Service
- Cooling and Heating
- Cabin Equipment and Inflight Entertainment Material
- Storage of Cabin Material
- Flight Operations and Crew Administration
- Baggage Handling

MINIMUM STANDARDS

1. FACILITIES

- a. Shall lease space to provide for storage of ramp equipment when it is not in use.
- b. Shall have access to an area designated as “Flight Planning Room” for crews of commercial air carriers serviced by the operator. This room shall be available 24 hours per day, seven days per week and shall include:
 - Area for weather service, flight planning and filing sufficient to meet the needs of the commercial flight crew;
 - Access to rest rooms for the use of the commercial flight crew;
 - Public telephones, SITA or comparable telex equipment and dedicated direct line or automatic dial FAA/FSS telephone; and
 - A crew lounge, if required by the airline and available from the Authority.

2. EQUIPMENT

Shall maintain equipment in sufficient quantities and type to provide the services desired by the airline and to service all Aircraft used by the airline at ICT.

3. HOURS OF OPERATION

Shall have services available as required by the airline.

4. PERSONNEL

- a. One General Manager, on duty during regular business hours. At least one Supervisor, on duty when customer's Aircraft is on the ground.
- b. All personnel shall be properly uniformed with the company name prominently displayed.

5. AIRPORT SECURITY

All Operators shall be required to conform to the applicable requirements and procedures of the Security Plan for the Airport.

6. PERMIT AGREEMENT

- a. Execute a Permit Agreement with the Authority.
- b. Each Operator shall provide the Authority with a signed copy of all agreements or contracts with airline(s).

AIR CARRIER PASSENGER SERVICES OPERATOR

STATEMENT OF CONCEPT

Passenger Services are those activities that may be subcontracted by an air carrier to a firm specializing in these activities to better assist their arriving and departing passengers. Typical activities to include the following:

REPRESENTATION AND ACCOMMODATION

- a. Liase with local authorities.
- b. Indicate that the Operator is acting as an agent for the Carrier.
- c. Inform all interested parties concerning movements of the Carrier's Aircraft.
- d. Effect payment, on behalf of the Carrier.

GENERAL SERVICES

- a. Inform passengers and/or public about time of arrival and/or departure of Carrier's Aircraft and surface transport.
- b. Make arrangements for stopover, transfer and transit passengers and their baggage and inform them about services available at the airport.
- c. Provide or arrange for special equipment, facilities and specially trained personnel for assistance to:
 - Unaccompanied minors
 - Disabled passengers
 - VIPs
 - Others
- d. Take care of passengers when flights are interrupted, delayed or cancelled according to instructions given by the Carrier. If instructions do not exist, deal with such cases according to the practice of the airline's governing tariffs.
- e. If applicable, arrange storage of baggage.
- f. Notify the Carrier of complaints and claims made by the Carrier's clients and process such claims, as mutually agreed.
- g. Handle lost, found, or damaged property matters and storage as mutually agreed.
- h. Report to the Carrier any irregularities discovered in passenger and baggage handling.
- i. Provide or arrange for:
 - Check-in position(s)
 - Service counter(s)/desk(s) for other purposes
 - Lounge facilities

- j. Provide or arrange for personnel and/or facilities for porter or skycap services. This activity may be subcontracted to a firm that specializes in these activities.

ARRIVAL/DEPARTURE SERVICES

- a. Passenger ticketing and seat assignments.
- b. Baggage tagging.
- c. Boarding information and ticket lift.
- d. Supervision of passengers while on the ramp.
- e. Passenger supervision for Border Protection and U.S. Customs Service.
- f. Supervision and responsibility for tour operators who may be present.
- g. Posting for the public the flight number and the name of the airline, tour operator and handling companies for each flight handled by the operator.
- h. Other passenger services as may be approved by the Authority.
- i. Direct passengers from Aircraft to the landside terminal baggage claim area.
- j. Compliance with all FAA or TSA Security Directives.

MINIMUM STANDARDS

1. FACILITIES

- a. Have access to the Authority common use or leased airline ticket counters.
- b. Lease or sublease office space for supervisory and support personnel.
- c. Shall maintain sufficient numbers of wheelchairs and aisle chairs as required by the airline and/or Authority.
- d. Shall have access to the aircraft loading bridges and disabled passenger lifts and received training in the operation of this equipment.
- e. Shall have access to baggage make-up and claim area.
- f. Shall have a designated area for lost and damaged baggage.
- g. Access to the above areas shall be by direct lease from the Authority, sublease from an airline, or Permit from the Authority.

2. EQUIPMENT

This Operator shall have the usual and typical equipment, either owned or leased, for providing the services necessary and required by the airline.

3. HOURS OF OPERATION

This Operator shall have services available as required by the airline and the capability to handle early or late flight operations as directed by the airline.

Operators shall comply with all federal requirements for allowing passengers to deplane when a departing flight is delayed at the Airport. Notification to the Authority shall be made whenever a flight is delayed longer than two (2) hours after passengers have boarded the aircraft.

4. PERSONNEL AND TRAINING

- a. While providing passenger-handling services, the operator shall have at least one supervisor on duty.
- b. Employees engaged in passenger handling shall be trained in and familiar with:
 - Passenger ticketing and check-in services.
 - Border Protection and U.S. Customs rules and procedures.
 - Airport's ground transportation system and the services available for the handicapped.
 - Security requirements as required by the TSA, Carrier or Authority.
 - Other services as required by the Airline.
- c. All personnel shall be uniformed with the company name prominently displayed.

5. PERMIT AGREEMENT

- a. Execute a Permit Agreement with the Authority.
- b. Each Operator shall provide the Authority with a signed copy of all written agreements or contracts with airline(s).

AIR CARRIER FUELING OPERATOR

STATEMENT OF CONCEPT

An Air Carrier Fueling Operator is a person, firm, corporation or other Entity acting as the “Into-Plane Agent” of an air carrier at the Airline Passenger Terminal Complex. An Air Carrier Fueling Operator provides the following services:

- a. The storage and into-plane delivery and quality control of contract aviation turbine fuels ordinarily used and required by air carriers serving the Airport; and
- b. The delivery of aviation oils and lubricants of all types and grades ordinarily required by air carriers utilizing the Airport.

In order to offer storage, delivery, and into-plane fueling services to airlines at the Airport, an Operator shall meet the Minimum Standards of EITHER ONE of the following two (2) categories:

1. Fixed Base Operator (FBO); or
2. Air Carrier Fueling Operator

An FBO may provide sales and fueling to any Aircraft using the Airport. However, an Air Carrier Fueling Operator shall be limited to offering into-plane fueling services only to airlines which hold use agreements with the Authority. Such Operator shall not be permitted to offering fueling services to General Aviation, military, government agencies, or to any other Aircraft operator. Fueling services shall not be conducted on a retail or wholesale basis.

The Operator shall only offer Jet-A fuel services, and shall not offer AvGas or any other type of aviation fuels. Fueling services shall only consist of the storage, handling, and into-plane dispensing of Jet-A fuels that have already been purchased by an airline from the vendor or broker of its choice.

MINIMUM STANDARDS

1. EXPERIENCE

An Operator proposing to engage in air carrier fueling shall have a minimum of five (5) years experience fueling air carrier Aircraft at similar size or larger airports. At the time of application, the Operator must have at least three (3) other fueling operations at small, medium, or large hub U.S. airports.

2. FACILITIES

- a. An Air Carrier Fueling Operator shall lease from the Authority land sufficient to contain the required fuel farm facilities and ancillary equipment necessary to perform the services offered. The fuel farm shall be constructed with above-ground tank storage. Storage tanks shall contain a minimum of 150,000 gallons of storage capacity for Jet-A turbine fuel.
- b. This Operator will also be required to lease from the Authority, or sublease from an FBO, space at the Airport in support of its activities, such as office area, operations area and break room, as well as additional space away from the terminal area to park, store and maintain equipment when it is not actually being used.

3. EQUIPMENT

An Operator performing air carrier fueling shall maintain equipment in sufficient quantities and of sufficient type to service all Aircraft handled by the Operator and which shall include at least the following:

- The Operator shall have at least two (2) 10,000 gallon mobile refueling tanker vehicles adequately equipped to service large transport jet aircraft.
- A dedicated fuel spill team consisting of a minimum of two properly trained individuals with a sufficient supply of absorbent materials and the vehicular means to transport this material for the immediate containment and subsequent clean up of a fuel spill and proper disposal of any hazardous waste created by any fuel spill. The training requirements, methods of disposal and clean up are all subject to approval by the Authority's Environmental and Safety divisions.

4. HOURS OF OPERATION

The Operator shall provide services in a timely manner during the hours specified by the air carrier.

5. PERSONNEL

- a. The Operator shall employ, and have on duty during the appropriate business hours, sufficient trained personnel to safely operate the fueling system and to meet the airline's requirements.
- b. The Operator shall have a duly appointed supervisor during business hours with the authority to represent and act for and on the behalf of the Operator.

6. AIRLINE AGREEMENTS

- a. An Operator in this category may contract directly with and provide services to any Signatory or Non-Signatory Air Carrier at ICT, and shall provide the Authority with a copy of all signed written agreements or contracts with airlines currently serving the Airport.

SECTION EIGHT – APPLICATION FOR AGREEMENT

AERONAUTICAL ACTIVITY APPLICATION

Any Entity desiring to engage in an Aeronautical Activity or Service (Commercial or Non-Commercial), or to construct new facilities at the Airport, shall submit a written application to the Director. Existing tenants or Operators on the Airport may submit a modified form of Application, as determined by the Director, depending on the nature of the proposed project or Service.

APPLICATION

The prospective Operator shall submit all of the information requested on the Application/Proposal Requirements checklist below and thereafter shall submit any additional information that may be required or requested by the Director in order to properly evaluate the application and facilitate an analysis of the prospective operation including, but not limited to, verifiable history of experience, financial statements, references, etc.

No application will be deemed complete that does not provide the Director with the information necessary to allow for a meaningful assessment of the Applicant's prospective operation and capabilities, and determine whether or not the prospective operation will comply with all applicable Regulatory Measures and be compatible with the Airport's Master Plan or Airport Layout Plan.

APPLICATION/PROPOSAL REQUIREMENTS

An application submitted to the Authority shall include at least the following information in written form (as applicable and appropriate to the type of activity proposed):

1. The proposed nature of the business. Provide a detailed description of the intended nature of the business operation and list of services which would be conducted out of all Airport-based facilities. A copy of the business plan and marketing plan should be included. Include the means and methods it will employ to provide high-quality service to Airport users, and to increase business activity at the Airport System. The business plan should include a market analysis of the current business activity at the Airport that is targeted by the proposal.
2. The legal name of Applicant, and its business name (if different) plus address, fax, e-mail, telephone number, of Applicant and its principal contact:
 - If the Applicant is a corporation, include all contact information for the registered agent and the key management of the corporation. List the date of incorporation, EIN Number, the state in which the corporation is incorporated, status of corporation, and any other names the corporation has done business, or by which they may be known. Provide names and positions of each person who is either an officer of the corporation or an owner of more than 5% of the voting stock, and their taxpayer ID number. Include a copy of the Articles of Incorporation and list of Board of Directors.

- If the Applicant is a partnership/joint venture, include all contact information for all general partners/investors.
 - If the Applicant is an individual person, include all contact information and taxpayer ID number or social security number, and date of birth.
3. Name of all principals and/or holding company and financial backers.
 4. Applicant shall furnish a statement of its qualifications and past experience in providing the proposed services, together with a statement that it or its principals have the managerial ability to perform the proposed services. Applicant should include resumes of its key employees engaged in the management and operation of the proposed services.
 5. List of four references (include name, title, company, telephone number, Email and address).
 6. Number and type of Aircraft that will be provided, if applicable.
 7. A listing of assets owned, being purchased or leased which will be used in the business on the Airport.
 8. Equipment necessary and special tooling to be provided, if any.
 9. Number of persons to be employed (specify full and part time).
 10. Periods (days and hours) of proposed operation. FBOs must offer line services 24 hours per day.
 11. Amount of space/land that will be leased (include preferred location and preliminary site plan for initial development and future expansions).
 12. Building space to be constructed and the site and floor plan proposed.
 13. Construction cost estimate.
 14. Construction schedule.
 15. List of any prospective sub-Operators and uses.
 16. Evidence of financial responsibility to perform project and operation, including audited financial statements prepared or certified by a Certified Public Accountant.
 17. A current credit report (from a major credit reporting agency) for each Entity owning or having a financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the ten-year period immediately prior to such application. The Authority may, at its option, collect additional financial data from Dun & Bradstreet or other financial rating agencies.
 18. Preliminary plans, specifications and dates (including construction schedule and a site plan in accordance with the ALP and land use requirements) for any improvements, which the applicant intends to make on the Airport as part of the activity for which approval is sought. Applicant shall comply with appropriate construction standards and review procedures of the Authority.
 19. Proof that the Applicant has or the capability of having the minimum insurance coverage, by attaching hereto proof of insurance in the form of an "Accord" form, copy of policy binder or other suitable proof of such capability such as an insurance letter of intent.
 20. Statement of past work experience in conducting proposed operation and construction.
 21. Evidence of business activity projections for the first year and the succeeding four (4) years.
 22. Marketing plan to include methods to be used to attract new business (advertising, promotion, and incentives, etc.).

23. Plans for physical expansion, if future business should warrant such expansion.
24. Provide copies of all licenses, certifications, and permits possessed by the Applicant, or its key employees that will be based at the Airport, and that are necessary or required to perform the proposed services.
25. Provide details if the Applicant, or any owner or officer listed above, has any outstanding garnishments, levies, mechanic's liens, or debts?
26. Provide details if Applicant, or any Entity operated by the principals of the Applicant, has defaulted in the performance of any Agreement with the Authority, or any Agreement at any other airport.
27. Provide details if Applicant, or any corporate officer, substantial owner or investor, has ever filed for bankruptcy.
28. Provide details if Applicant, or any corporate officer, substantial owner or investor, has been charged, indicted, accepted diversion for, or been convicted of a felony crime, in any jurisdiction of the United States.
29. List all civil lawsuits the Applicant, or any corporate officer, substantial owner or investor, or any Entity operated by the principals of the Applicant is involved in, or has been involved in within the past seven (7) years.
30. Provide details if the Applicant, or any owner or officer listed above, owes any delinquent taxes to any governmental jurisdiction, or if there are any outstanding warrants or tax liens for unpaid taxes.
31. A written authorization for use by the Authority to obtain information from the FAA or other applicable Entity for any aviation or aeronautics commissions, administrators, departments of all states in which the applicant has engaged in aviation business to release information in their files relating to the applicant or its operation. The applicant shall execute all such forms, releases, or discharges as may be required by those agencies.
32. Such other information as the Authority may require.
33. Applicant shall provide with its application a signed certification statement as shown below:

Certification Statement

The undersigned is duly authorized to execute this application on behalf of the Applicant. The undersigned also:

1. Certifies that to the best of its knowledge and belief, the information being submitted to the Authority is true and correct and that there are no omissions of material fact or information that render any response to be false or misleading and there are no misstatements of fact in any of the responses.
2. Certifies that the Applicant is in compliance with all applicable laws, regulations, ordinances and orders of public authorities.
3. Certifies that the Applicant is not in default under the terms and conditions of any grant or loan agreements, leases, or financing arrangements with any of its creditors.
4. Understands that the contents of this application, and any subsequent material submitted will remain confidential to the fullest extent permitted by the Kansas Open Records Act.
5. Authorizes the Wichita Airport Authority and any of its agents to conduct a background investigation based on the application, including but not limited to a criminal history checks and TSA Security Threat Assessments, reference checks, obtaining information from the FAA and other agencies or airports with which the Applicant has engaged in aviation business, and credit checks and financial investigations, as appropriate. The Applicant shall execute all forms, releases, or discharges as may be required by those agencies.

Signature _____
Position _____
Date _____

Notarized by _____

ACTION ON APPLICATION AND APPROVAL PROCESS

The Authority shall make a reasonable effort to review and act upon an application within ninety (90) days from the receipt of the application.

All applications received and the information contained within will remain confidential to the fullest extent permitted by the Kansas Open Records Act. However, because the Wichita Airport Authority is a government-owned and operated entity, it should be understood that information related to the Applicant can become public in the course of public meetings, correspondence requests by the general public, media announcements, or by public records requests.

Applications may be denied for one or more of the following reasons, among others:

1. The Applicant does not meet qualifications, standards and/or requirements established by these Minimum Standards or other policies of the Authority.
2. The Applicant's proposed operations or construction will create a safety hazard or have a detrimental operational effect on the Airport.
3. The granting of the application will require the expenditure of Authority funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss or hardship to Authority.
4. There is no appropriate or adequate available space on the Airport to accommodate the entire activity of the Applicant.
5. The proposed operation, development and/or construction does not comply with the current Airport Master Plan (AMP) and/or Airport Layout Plan (ALP).
6. The development or use of the area requested will result in a congestion of Aircraft or buildings, or will result in unduly interfering with the operations of any current FBO, SASO, or other tenant on the Airport, such as problems in connection with Aircraft traffic or service, or preventing free access and egress to the existing FBO, SASO, or tenant areas, or will result in depriving, without the proper economic study, an existing FBO, SASO, or tenant of portions of its leased area in which it is operating.
7. Any Entity applying or having an interest in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.
8. Any Entity applying, or having an interest in the business, has a record of violating any Wichita Airport rules, regulations, policies or procedures, or the rules and regulations of any other airport, any aviation-related Federal rules and regulations, or any other rule, regulation, law or ordinance applicable to this or any other airport.
9. Any Entity applying, or having an interest in the business, has defaulted in the performance of any Agreement with the Authority, or of any Agreement at any other airport.

10. Any Entity applying, or having an interest in the business, is not sufficiently credit worthy and responsible, in the sole judgment of the Authority, to provide and maintain the business for which the application relates to promptly pay amounts due under an Agreement.
11. The Applicant does not have the finances necessary to conduct the proposed operation. The Applicant must demonstrate financial capability to initiate operations, to construct proposed Improvements, and to provide working capital to carry on the contemplated operations. The demonstration of financial and managerial capability shall include a cash flow and a profit and loss projection for the first five (5) years of the proposed operation.
12. The provided business and marketing plan does not demonstrate that the proposed activity is financially viable at the Airport.
13. The Applicant cannot obtain proper insurance coverage for the proposed activity, or other performance and payment bonds during construction.
14. The proposed activity does not comply with the aviation-related requirements of Kansas law.
15. The Applicant seeks Agreement terms which are inconsistent with Authority policies.
16. The Applicant and its key employees are unable to successfully pass TSA security threat assessments and background investigations.
17. The proposed activity is inconsistent or incompatible with the Airport System's mission, goals or objectives, or any policies, laws or regulations, or FAA grant assurances, and including the Authority's obligation to run a safe, efficient, and financially self-sufficient business enterprise for the benefit of the public.

DENIAL OF APPLICATION

The Authority reserves at all times the right to approve or disapprove the application for any proposed Aeronautical Activity or Service. Such approval shall take into account the aforementioned Minimum Standards along with an analysis of the business background, financing and proposed plans for the development of an Aeronautical Activity. Final approval by the Authority shall thus be based on an appraisal of the application in regard to the purposes and intent as set forth and based on a commonly acceptable business analysis.

Should an application be denied by the Director, the Applicant may appeal to the Wichita Airport Advisory Board (WAAB) for re-consideration. The WAAB will make a recommendation to the Wichita Airport Authority (WAA), whose decision will be final.

APPENDIX ONE

SUMMARY TABLE OF MINIMUM FACILITIES REQUIREMENTS

(on next page)

OPERATOR ACTIVITY	TOTAL LEASEHOLD (SF)	HANGAR (STORAGE) (SF)	HANGAR (MAINT.) (SF)	RAMP (SF)	CUSTOMER AREA/LOBBY/ OFFICE/CLASS ROOM (SF)	SHOP/ PARTS STORAG E (SF)	JET-A STORAGE (gal.)	AVGAS STORAGE (gal.)	JP STORAGE (gal.)	JET-A TRUCKS (gal.)	AVGAS TRUCKS (gal.)	JP TRUCKS (gal.)
Fixed Base Operator (FBO)	217,800 (5 acres)	30,000	10,000	130,680 (3 acres)	5,000	1,500	20,000	10,000	as r'qrd by military	2-2,000 plus 2-5,000 if fueling airlines	1-750	1-2,000 or as r'qrd by military
Specialized Aeronautical Service Operators (SASO)												
Aircraft Sales	TBD	TBD	TBD	TBD	TBD	TBD	NP	NP	NP	NP	NP	NP
Aircraft Maintenance	43,560 (1 acre)	NA	10,000	15,000	600	1,000	NP	NP	NP	NP	NP	NP
Aircraft Rental/ Training	21,780 (0.5 acre)	5,000	NA	7,500	2,000	NA	NP	NP	NP	NP	NP	NP
Avionics/ Instrument	43,560 (1 acre)	NA	10,000	15,000	600	1,500	NP	NP	NP	NP	NP	NP
Aircraft Management	32,670 (0.75 acre)	5,000	NA	7,500	1,250	NA	NP	NP	NP	NP	NP	NP
Charter/ Air Taxi	32,670 (0.75 acre)	5,000	NA	7,500	1,250	NA	NP	NP	NP	NP	NP	NP
Commercial Hangar	87,120 (2 acres)	15,000; 10,000 if T- Hangars	NA	22,500	600	NA	NP	NP	NP	NP	NP	NP
Non-Commercial Operators												
Non-Comm'l. Private Hangar	43,560 (1 acre)	10,000	NA	15,000	600	NA	10,000	10,000	NP	NP	NP	NP

Notes: "NA" means "not applicable"; "NS" means "not specified"; "TBD" means "to be determined"; "NP" means "not permitted"

Aircraft Sales Operators and other Specialized Commercial Operators not listed above may lease space from an FBO or lease directly with WAA for facilities to be determined on a case-by-case basis depending on the type of operation

Any SASO or Non-Commercial Operator may meet its facility requirements by Subleasing from an FBO or by leasing directly from the WAA

APPENDIX TWO

SCHEDULE OF MINIMUM INSURANCE REQUIREMENTS

OPERATOR TYPE	COMPREHENSIVE GENERAL LIABILITY	HANGARKEEPER'S LIABILITY	AIRCRAFT LIABILITY	AUTOMOBILE LIABILITY
Fixed Base Operator	\$10 million	\$5 million		\$5 million
Aircraft Maintenance	\$1 million	\$1 million		\$1 million
Aircraft Rental/Flight Training	\$1 million		\$1 million	\$1 million
Avionics/Instrument/Propellor	\$1 million	\$1 million		\$1 million
Aircraft Sales	\$1 million		\$1 million	\$1 million
Charter/Air Taxi	\$5 million		\$5 million	\$1 million
Aircraft Management	\$1 million		\$1 million	\$1 million
Commercial Hangar	\$1 million	\$1 million		\$1 million
Non-Commercial Hangar	\$1 million			\$1 million
Specialized Operator	\$1 million			\$1 million

NOTES:

1. Comprehensive Vehicle/Automobile Liability is required only on vehicles operated on non-public portions of the Airport. Vehicles authorized to operate on the Aircraft Operations Areas (AOA) shall carry \$5 million.
2. Hangarkeeper's Liability is required when an Operator provides storage, or provides for the care, custody and control of Aircraft that the Operator does not own. It is not required when an Operator is storing its own Aircraft.
3. Aircraft/Passenger Liability is required when passengers are transported in an Aircraft operated as part of the Operator's business activities.
4. Fixed Base Operators are required to carry a minimum of \$5 million in Products Liability coverage for fuel sales activities. This may be provided in conjunction with the fuel supplier.
5. FBOs and Non-Commercial Hangar Operators providing fuel services are required to carry a minimum of \$1 million for Pollution and Environmental Consequences Liability coverage.
6. Aircraft Maintenance Operators and Avionics/Instrument/Propeller/Accessory Repair Operators are required to carry a minimum of \$1 million on Products and Completed Operations Liability coverage.
7. All Operators are required to carry Fire and Casualty Insurance coverage for facilities at a Full Replacement Value.
8. All Operators shall carry any other insurance that may be required by State Law.
9. All policies shall name the Authority and City, and their officers and employees, individually and collectively as additional insureds.
10. Minimum amounts and types of coverage required may be modified from time-to-time by the Authority upon the advice of its risk management agents and insurance carriers.
11. During any period of construction by Operator, appropriate Builders Risk Insurance shall be provided, along with Performance and Payment Bonds.

**PRELIMINARY ESTIMATES
FOR CITY COUNCIL APRIL 12, 2011**

- a. Stormwater Sewer #659 to serve Greenwich Office Park 2nd Addition (north of 13th Street North, west of Greenwich) (468-84725/751494/485385) Traffic to be maintained using flagpersons and barricades. (District II) - \$99,000.00
- b. Water Distribution System to serve Greenwich Office Park 2nd Addition (north of 13th Street North, west of Greenwich) (448-90509/735458/470131) Traffic to be maintained using flagpersons and barricades. (District II) - \$65,000.00
- c. 2010 Sanitary Sewer Rehabilitation Phase B, Part 2 (south of 13th Street North, west of Woodlawn) (468-84724a/620569/660685) Traffic to be maintained using flagpersons and barricades. (District III,IV,VI) - \$270,000.00

City of Wichita
City Council Meeting
April 12, 2011

TO: Mayor and City Council

SUBJECT: Encroachment Agreement with ConocoPhillips and Quest Pipe Line Companies
(District VI)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve the Agreement and Letter of No Objection.

Background: An agreement has been prepared to formally permit the City of Wichita to enter and construct storm water improvements on, over, and across a pipeline easement owned and occupied by ConocoPhillips Pipe Line Company. A Letter of No Objection has also been prepared to confirm that there is “No Objection” to the City of Wichita within Quest Pipeline (PostRock KPC) right of way. These agreements are in conjunction with the drainage improvement for North Arkansas Avenue, from the Little Arkansas River to West 43rd Street North; near Earhart Elementary School Addition.

Analysis: The agreement allows the ConocoPhillips Pipe Line Company and Quest Pipeline to be held harmless from any and all claims, demands, damages, liabilities, costs, expenses, actions and causes of action of whatsoever nature, for loss of or damage to any property arising or resulting from the construction, presence, maintenance, use, repair or removal of the City of Wichita storm water encroachment as permitted under the respective agreements.

Financial Considerations: There is no cost to the City.

Goal Impact: This project addresses the Efficient Infrastructure goal by providing for storm water improvements desirable to an existing development.

Legal Considerations: The Law Department has approved the agreement and the Letter of No Objection as to form.

Recommendation/Action: It is recommended that The City Council approve the agreements and authorize the necessary signatures.

Attachments: Encroachment Agreement and Letter of No Objection.

ConocoPhillips Pipe Line Co.
PTRRC Dept.
500 Phillips Building
Bartlesville, OK 74004

ENCROACHMENT AGREEMENT

THIS AGREEMENT, made and entered into as of the ____ day of _____, 2011, by and between **CONOCOPHILLIPS PIPE LINE COMPANY**, a Delaware corporation, (“Permittor”), as successor in interest to Phillips Pipe Line company, whose address is 500 Phillips Building, Bartlesville, OK 74004, and **THE CITY OF WICHITA**, a Kansas municipal corporation (“Permittee”), whose address is 455 N. Main, Wichita, KS 67202.

WITNESSETH:

WHEREAS, Permittor is the current owner of one 12” petroleum product pipeline and its associated pipeline easement rights (“easement”) affecting certain land located in Sedgwick County, State of Kansas, to-wit:

SW/4 of Seciton 29, Township 26 South, Range 1East; and

WHEREAS, Permittee has requested Permittor or permit Permittee to encroach into Permittor’s permanent easement with the construction of a surface poured concrete ditch/flume and related surface drainage grading activities (the “Encroachment”) across said easement as necessary in Permittee’s efforts associated with Permittee’s Arkansas Ave. SWS Ditch improvement project; and

WHEREAS, Permittor is willing to permit the Encroachment to be placed and maintained over and across its easement subject to the terms and conditions set forth in this Agreement;

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto mutually agree as follows;

1. The permitted Encroachment shall be installed in accordance with the following Plans and Specifications, to-wit:

Hot spot Drainage Improvement; North Arkansas Avenue; From Little

Arkansas River to W, 43rd Street North; Project No. 468-84693-see excerpt

plan/profile attached hereto and marked Exhibit "A"

provided, however, that said Encroachment shall not be installed until Permittor, at Permittee's expense, has inspected its pipeline to determine the pipeline's depth relative to Permittor's planned Encroachment and Permittor & Permittee subsequently mutually agree on project plan modifications and or pipeline adjustments being undertaken, if necessary in Permittor's sole judgment, at Permittee's expense to provide for the protection of Permittor's pipeline.

2. Except for the Encroachment expressly permitted hereunder, Permittee shall not erect, create, construct or maintain any additional engineering works or other obstruction of any kind within Permittor's easement, and shall not cause or permit the same to be done by others.

3. The parties agree to indemnify, save and defend each other and any parent and affiliates and the employees, officers, directors and agents thereof, and hold harmless from and against any loss, cost or expense incurred by the other party, including without limitation losses resulting from claims for damages to property or injuries to or deaths of persons, judgments, or are claimed to have risen out of the construction, operations of the acting party, its contractors and subcontractors, on the Company easement described above.

4. Permittee expressly understands and agrees that Permittor, in the exercise of its rights under the easement, and in its sole judgment, may have to cut through, remove, damage or destroy the Encroachment located within the easement, in order to perform maintenance, repair or replacement of their pipeline. Permittee hereby consents to such removal, damage and destruction of the Encroachment and releases, indemnifies and holds Permittor, its parent company, subsidiaries, affiliates, agents, contractors, subcontractors, successors and assigns, and their respective officers, directors, employees,

agents, contractors and subcontractors, harmless from and against any and all claims, demands, damages, liabilities, costs expenses, actions and causes of action of whatsoever nature arising out of or resulting directly or indirectly from any such removal, damage or destruction of the Encroachment caused or occasioned by any maintenance, repair or replacement of Permitter's pipeline which is reasonable or necessary, in Permitter's sole judgment, regardless of the reason for such maintenance, repair or replacement. In the event of any removal, damage or destruction of the Encroachment, Permitter's sole responsibility shall be to fill any trench or ditch and compact the soil.

5. Permitter shall have the right to adequately mark their pipeline with permanent line markers to insure public safety and the future safe operation of said pipeline, and to meet applicable governmental regulations.

6. In addition to the foregoing, Permittee shall comply with the following requirements:

a. No excavating or construction activity shall be conducted in the immediate vicinity of the pipelines without Permitter's representative, Rusty Lee, being contacted at (316) 838-3411, Ext. 14 at least a minimum of 48 business hours in advance of said activity.

b. No excavations shall be made on land adjacent to Permitter's pipelines which will in any way impair, withdraw lateral support, cause subsidence, create the accumulation of water, or cause damage to the pipeline and easement.

c. All written correspondence is to be sent to Permitter at the following address:

ConocoPhillips Pipe Line Company
North Wichita Terminal
2400 E. 37th St. North
Wichita, KS 67219

d. Any damage to Permitter's existing pipeline markers and/or signs, test leads, vent pipes, will be replaced or repaired at the sole cost and expense to the damaging party within 15 days after the damage has occurred.

7. It is understood and agreed that, except as set forth in this Agreement, all of Permittor's rights under its easement shall remain in full force and effect.

The terms, conditions, and provisions hereof shall be a covenant running with the land and extend to and be binding upon the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement in duplicate as of the day and year first above written.

“PERMITTOR”
CONOCOPHILLIPS PIPE LINE COMPANY
a Delaware corporation

By: _____
Kevin C. Startz
Attorney-in-Fact

“PERMITTEE”
THE CITY OF WICHITA
a Kansas municipal corporation

By: _____

Name: _____

Title: Mayor

ATTEST:

Name: _____

Title: City Clerk

LETTER OF NO OBJECTION

December 2, 2010

Mr. Scott Lindeback, P.E.
City of Wichita
Storm Water Engineer
455 N. Main, 8th Floor
Wichita, Kansas 67202

Re: Hot Spot Drainage Improvement
North Arkansas Avenue
From Little Arkansas River to W. 43rd Street
Project No. 468-84693
O.C.A. No. 133117

Dear Mr. Lindeback:

By this letter, **PostRock KPC Pipeline, LLC**, ("Company") confirms that it offers NO OBJECTION to **City of Wichita, Kansas**, ("City") within Company's pipeline right-of-way at the location shown on the drawings supplied by City prepared by Baughman Company, P.A. (the "Work") approved and dated the 7th day of July, 2010, signed by Tim Aziere, Kansas Licensed Professional Engineer No. 19753, subject to the following terms and conditions:

1. City shall notify Company and Kansas One-Call 48-72 hours before commencement of the work. One call tickets are only valid for 15 consecutive days. The contractor must have its own Kansas One-Call ticket with ticket number.
2. The drainage improvement to be constructed across Company's pipeline shall maintain a minimum of 24" clearance above Company's existing pipeline and shall consist of a concrete drainage swell with 5:1 to 3:1 side walls and 36" flat bottom as shown on the plans provided to Company.
3. City will not excavate within Company's pipeline easement area without Company's personnel being notified and present. City will provide a minimum notice of 48 hours to Company.
4. No heavy equipment will be permitted to drive over Company's pipeline. Heavy equipment will be deemed any vehicle or equipment larger than a pickup truck. Access points for crossing the pipeline with larger equipment may be granted at designated areas, but only after a depth survey has been performed and verification of pipeline

depth has been established. No crossing of the pipeline will be granted without a minimum depth of five (5) feet of cover on the pipeline. The heavier the equipment, the larger amount of fill and cover on top of the pipeline for crossing may be required.

5. Geo Grids and Geo blankets are to be considered on fill material that will not hold firm compaction. This will be required to alleviate pumping over the pipeline and to prevent stress over the pipeline.

6. Crossings will be limited to 50 feet in width and fenced adjacent to the crossing to discourage driving around designated crossings. Designated crossings will be open with a minimum of five (5) foot of fill material and fenced adjacent to pipeline with temporary fencing. Orange temporary construction fencing on T posts shall be installed adjacent to said pipeline. Installation of temporary fence will be coordinated with Company personnel and no fencing shall be installed until post locations are designated and identified.

7. The Work and any other operations conducted by City will be performed at no cost to or expense to Company, and shall not interfere with current operations or use of the right-of-way by Company. No changes shall be made to the route in or the scope of the above referenced drawing without the prior written consent of Company. Such further approval shall be subject to the same terms and conditions of this agreement, and further approval shall not be unreasonably withheld.

8. Company's pipeline will not be removed from service nor will the elevation or placement of the pipeline be adjusted or disturbed.

9. City will secure all necessary permits from all governmental agencies having jurisdiction, and shall comply with all applicable laws, rules, ordinances, codes, regulations, and industry standards in conducting the Work.

10. City agrees to indemnify and hold harmless Company, its successors and assigns, employees, contractors or representatives from any and all claims, demands, causes of action, liability, judgments, fines or penalties for damage to property or injury to or death of persons or for environmental damage which may result from, grow out of, or arise in connection with the Work or any damage to Company's pipeline or facilities during the Work caused by City, its employees, agents, or contractors.

11. City and/or its Contractors shall comply with the standards and specifications contained in the "Engineering Standards/Encroachment Guidelines for Natural Gas Pipeline", a copy of which is enclosed herewith.

12. The Work shall be performed in strict compliance with the drawings supplied by City and Baughman Company dated July 7, 2010. No changes or additions to the Work shall be performed without the prior written consent of Company.

13. Company will be notified of all utility meetings and pre-construction meetings to allow designated personnel to attend and address pipeline concerns at these meetings.

14. City and its contractors will agree to allow a safety meeting to be conducted with all contractors and subcontractors and all personnel prior to construction over or near the pipeline.

15. Restoration of the surface after project completion requires seed with fertilizer and mulching cover to restore ground cover to prevent erosion. Seed blankets, seed mats and sodding are preferred to seeding.

16. No landscaping, trees, monuments, irrigation, or above ground improvements whatsoever are to be established over the pipeline easement area.

17. All unauthorized excavation within the easement area will be subject to the Kansas Corporation Commission and subject to fines and penalties.

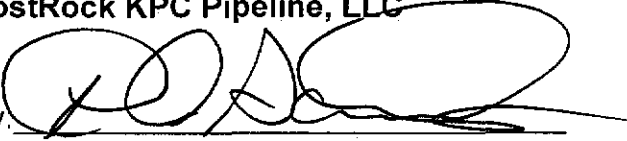
18. Company has the authority to issue a stop work order on any project that conflicts with the pipeline integrity and public safety.

19. City will provide Company with two (2) copies of as-built drawings within ninety (90) days of the completion of constructions.

If you have any further questions regarding this matter, do not hesitate to contact us at (405) 600-7704. Your Company contact for this project is: Juan Millan at (913) 764-6015.

Sincerely,

PostRock KPC Pipeline, LLC

By: 

Tom Saunders
Vice President

AGREED AND ACCEPTED this _____ day of _____, 2010.

City of Wichita, Kansas


By: _____

Name: _____

Title: _____

APPROVAL TO FORM:


Gary Rebenstorf, Director of Law

QUEST Midstream Partners, L.P. 	Engineering Standards	Standard 7155
	ALLOWABLE BLASTING NEAR BURIED PIPELINES	Page 1 of 11
		Issue Date
		Rev. No. Date 07/01

1. SCOPE

This standard covers the allowable stresses on a buried pipeline due to blasting and a method for determination of the stresses due to blasting.

2. REFERENCES

Engineering Standard 7503, "Pipeline Contract Specifications"
 Operating Procedure 80.102, "Damage Prevention Program"
 Southwest Research Institute, "Analysis and Testing of Pipe Response to Buried Explosive Detonations"

3. GENERAL

The stresses imposed on a pipeline by the detonation of explosives nearby is due to the ground motion that propagates through the soil from the instantaneous soil displacement at the point of detonation. The pipeline will react much like a beam loaded by a force thereby permitting the calculation of longitudinal and circumferential stresses. The longitudinal and circumferential stresses, not including pipeline hoop stress, are functions of the following:

- Type of explosive used,
- Weight per charge of explosive,
- Number of explosives detonated at one time,
- Perpendicular distance from the centerline of pipeline to the point of detonation,
- The depth at which the detonation will take place (i.e. same depth as the pipeline or greater),
- Explosive layout pattern (i.e. point, line, grid),
- Pipeline wall thickness.


4. SEISMOLOGICAL SURVEYS

- * The following may be used for seismological survey activity in the vicinity of the pipelines, provided insufficient information is available to determine equivalent charge and allowable stress in accordance with this standard.

<u>Method of Pipeline Joining</u>	<u>Minimum Standoff Distance (feet)</u>
Dresser Coupling	300
Acetylene Weld	300
Electric Weld	150

5. ALLOWABLE STRESS

- The minimum perpendicular distance from the point of detonation to the centerline of the pipeline will be the greater of 100 feet or a distance as defined within this standard so that added stresses do not exceed 1000 psi for welded steel pipelines or 500 psi for mechanically coupled or acetylene welded pipelines.
- Stresses at the above limits are by no means the stresses that would cause a pipeline failure; they are arbitrarily assigned to insure the integrity of the pipeline during and after the detonation of explosives. If the predicted stresses exceed the limitations, alternatives should be considered in detail to reduce the

QUEST <small>Midstream Partners, L.P.</small> 	Engineering Standards		Standard	7155
	ALLOWABLE BLASTING NEAR BURIED PIPELINES		Page	2 of 11
			Issue Date	
			Rev. No. Date	07/01

stresses such as increasing standoff distance, decreasing explosive weight, etc. and changing pipeline operations such as decreasing operating pressure during blasting operations.

6. DETERMINATION OF STRESS

Stress on the pipeline due to blasting in a given situation can be predicted by computation using the appropriate equation in 6.2. However, a more common condition is to determine the perpendicular distance from centerline of pipe to the equivalent point of detonation (standoff distance) that will yield a given stress level. For the latter determination, a procedure using a nomograph is much easier and is described in 6.3.

In using either the equations or the nomographs, the following must be known in order to determine stress (s).

- Pipe wall thickness - h (inches)
- Modulus of elasticity of steel - E (30×10^6 psi)
- Standoff distance - R (feet)
- Equivalent energy release of explosive - n. See Table 1.
- Total energy release (n)(W) for point sources or total energy release (n)(W/L) for line sources. See 6.1 and Figures 1 through 5.
- C-factor for charges deeper than pipeline depth. See Figures 8 and 9.

6.1 Equivalent Explosive Layout Pattern

Determination of stress is based on simplification, if necessary, of the actual explosive layout pattern to an equivalent point or line source. Figures 1 through 5 illustrate the reduction of parallel and angled grid and line patterns to the simplest equivalent form. The resulting standoff distance (R) and total energy release (n W) or (n W/L) for

point or line sources, respectively, are used in either an equation in 6.2 or nomograph in 6.3 to determine stress. For charges located at a depth greater than pipeline depth, the stress may need to be factored as described in 6.4.

6.2 Stress Equations

$$\text{Point Source: } s = 4.44 E \left[\frac{n W}{(Eh)^{0.5} R^{2.5}} \right]^{0.77}$$

$$\text{Line Source: } s = 4.44 E \left[\frac{1.4 n (W/L)}{(Eh)^{0.5} R^{1.5}} \right]^{0.77}$$

6.3 Stress Nomographs

Pipe stress nomographs for point and line sources are given in Figures 6 and 7 respectively. Using the appropriate nomograph for point or line source enter the nomograph with the modulus of elasticity, plot horizontally to pipe wall thickness, vertically to total energy release, horizontal to standoff distance and downward to stress.

To determine another variable, equivalent charge allowed for example, as a function of stress, standoff distance, and pipe wall thickness, plot both clockwise and counterclockwise on the nomograph until an intersection is made in the quadrant containing the total energy release scale (upper-left).

* Indicates revised paragraph, this Rev. No.



6.4 Charges Deeper than Pipeline Depth

The equations and nomographs are based upon the source and the pipeline being at the same depth with an infinite length of soil on the opposite side of the pipeline from where the detonation would occur. However, as the depth of the charge increases, the effective soil backing decreases resulting in higher stress imposed on the pipeline.

For charges located at a depth greater than the pipeline refer to Figure 8. If the ratio (R/H) is greater than 4 from computations made based on Figure 8, the stress determined by equation or nomograph must be multiplied by a factor (C) determined from Figure 9.

**TABLE 1
EQUIVALENT ENERGY RELEASE (n)**

EXPLOSIVE	n
ANFO (94/6)	1.00
AN LOW DENSITY	0.99
COMP (60/40)	1.12
COMP C-4	1.12
HBX-1	0.83
NG DYNAMITE (40%)	1.05
NG DYNAMITE (60%)	1.12
PENTOLITE (50/50)	1.11
RDX	1.16
TNT	0.98
BLASTING FERTILIZER	1.00

NOTE: For explosives not listed in Table 1, use an "n" value equal to 1.05.

**FIGURE 1
POINT CHARGE**

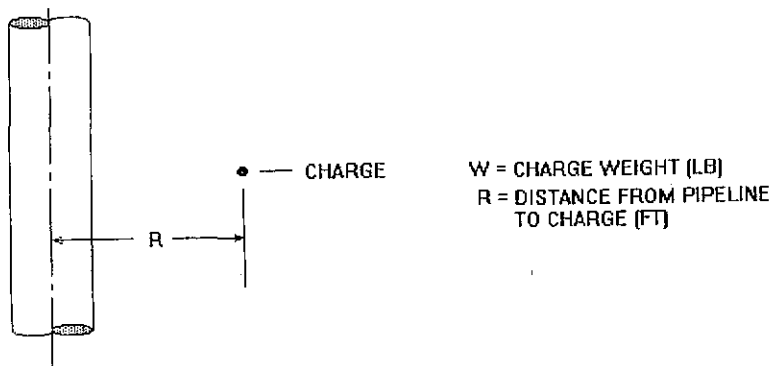




FIGURE 2A
EXPLOSIVE LINE PARALLEL TO PIPELINE
FOR $R \leq L$

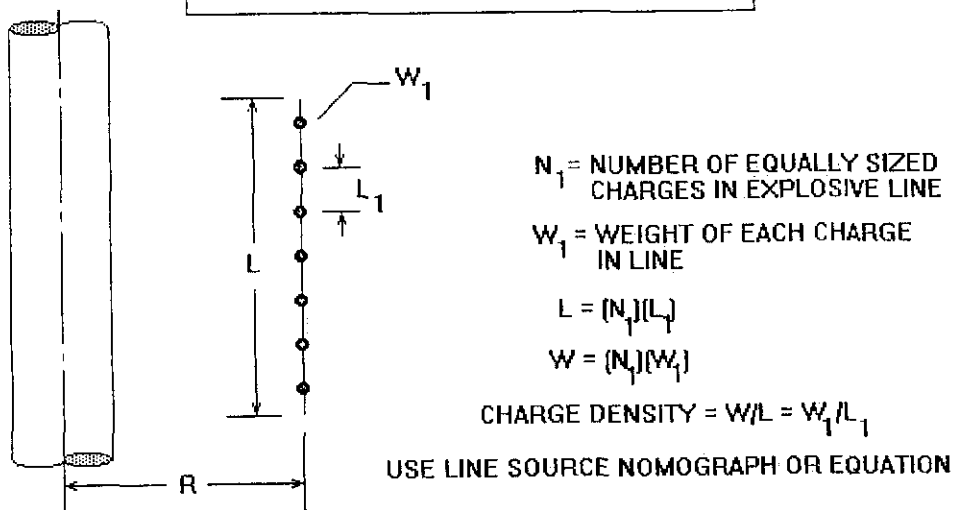
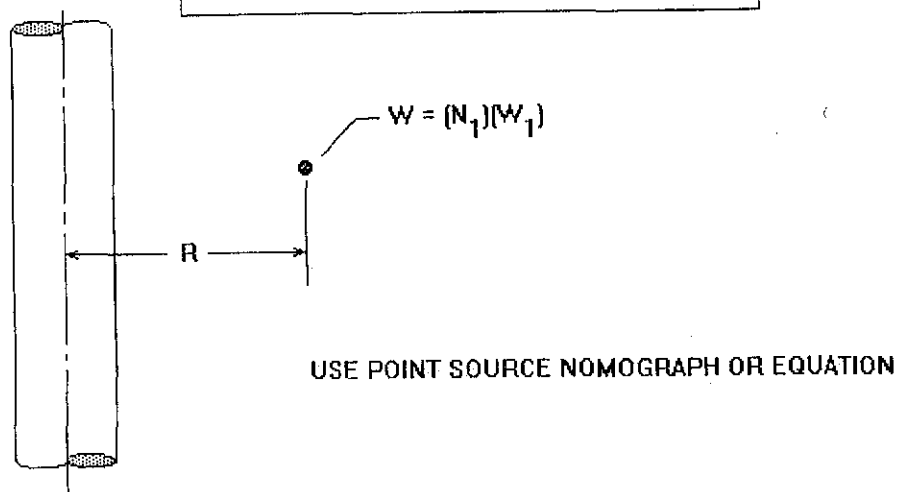
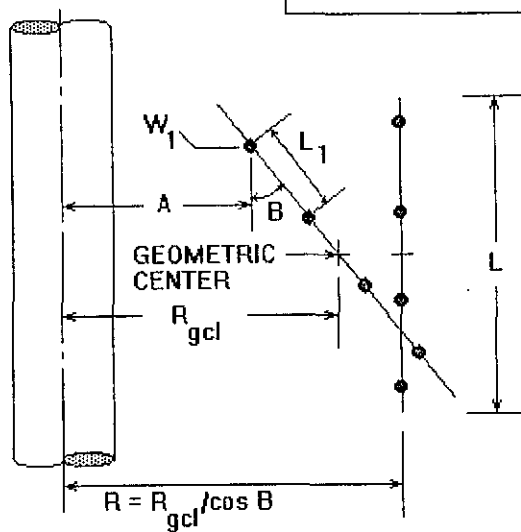


FIGURE 2B
PARALLEL LINE REDUCED TO POINT SOURCE
FOR $R > L$




**ALLOWABLE BLASTING
NEAR BURIED PIPELINES**

FIGURE 3A
ANGLED LINE SOURCE REDUCED TO
PARALLEL LINE SOURCE FOR $R \leq L$



A = DISTANCE TO NEAREST CHARGE

N_1 = NUMBER OF EQUALLY SIZED
CHARGES IN EXPLOSIVE LINE

W_1 = WEIGHT OF EACH CHARGE
IN LINE

$$L = (N_1)(L_1)$$

$$W = (N_1)(W_1)$$

B = ANGLE BETWEEN PIPE AND
EXPLOSIVE LINE

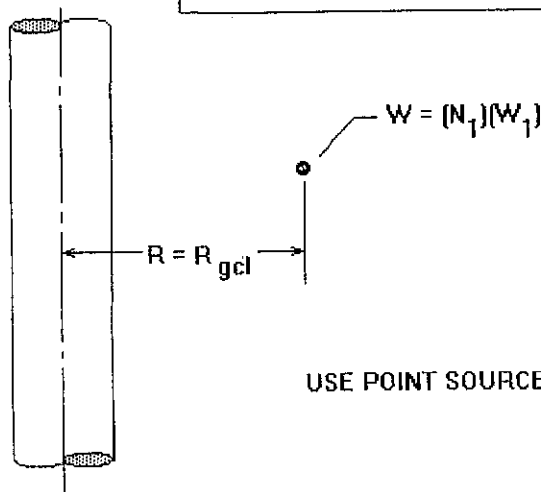
CHARGE DENSITY = $W/L = W_1/L_1$

$$R_{gcl} = A + \frac{(N_1 - 1) L_1 \sin B}{2}$$

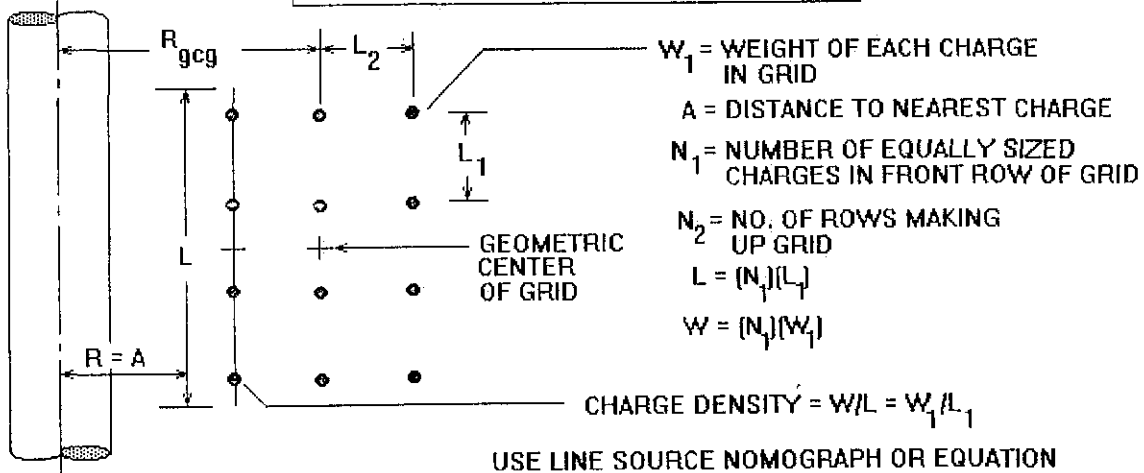
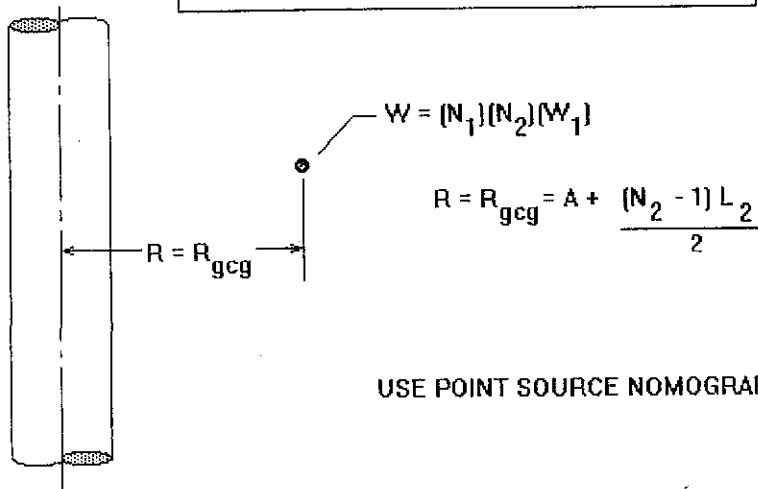
$$R = R_{gcl} / \cos B$$

USE LINE SOURCE NOMOGRAPH OR EQUATION

FIGURE 3B
ANGLED LINE SOURCE REDUCED TO
EQUIVALENT POINT SOURCE FOR $R > L$

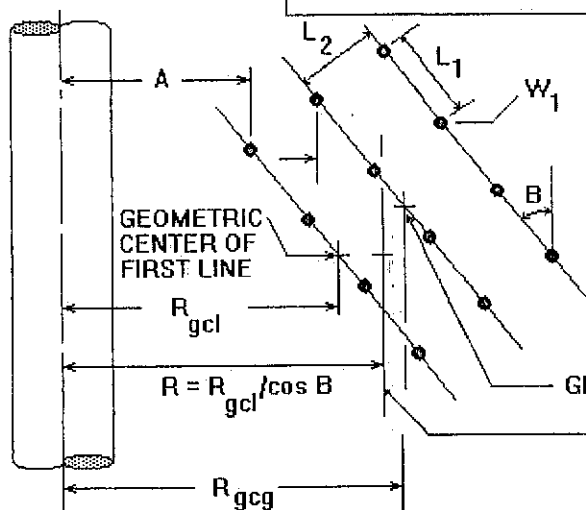


USE POINT SOURCE NOMOGRAPH OR EQUATION


**ALLOWABLE BLASTING
NEAR BURIED PIPELINES**
FIGURE 4A
**PARALLEL GRID SOURCE REDUCED TO
PARALLEL LINE SOURCE FOR $R \leq 1.5L$**

FIGURE 4B
**PARALLEL GRID REDUCED TO
POINT SOURCE FOR $R > 1.5L$**



**ALLOWABLE BLASTING
NEAR BURIED PIPELINES**

**FIGURE 5A
ANGLED GRID SOURCE REDUCED TO
PARALLEL LINE SOURCE FOR $R \leq 1.5L$**



W_1 = WEIGHT OF EACH CHARGE IN GRID

A = DISTANCE TO NEAREST CHARGE

N_1 = NUMBER OF EQUALLY SIZED
CHARGES IN FRONT ROW OF GRID

N_2 = NUMBER OF ROWS IN GRID

$L = (N_1)(L_1)$

$W = (N_1)(W_1)$

B = ANGLE BETWEEN PIPE AND GRID

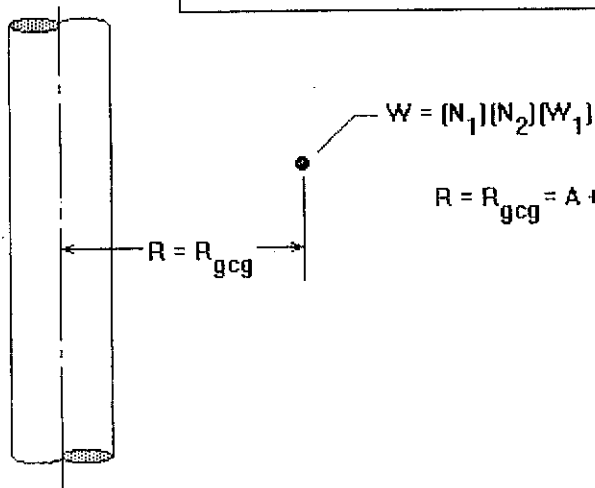
GEOMETRIC CENTER OF GRID

CHARGE DENSITY = $W/L = W_1/L_1$

$$R_{gcl} = A + \frac{(N_1 - 1) L_1 \sin B}{2}$$

USE LINE SOURCE NOMOGRAPH OR EQUATION

**FIGURE 5A
ANGLED LINE SOURCE REDUCED TO
EQUIVALENT POINT SOURCE FOR $R > 1.5L$**

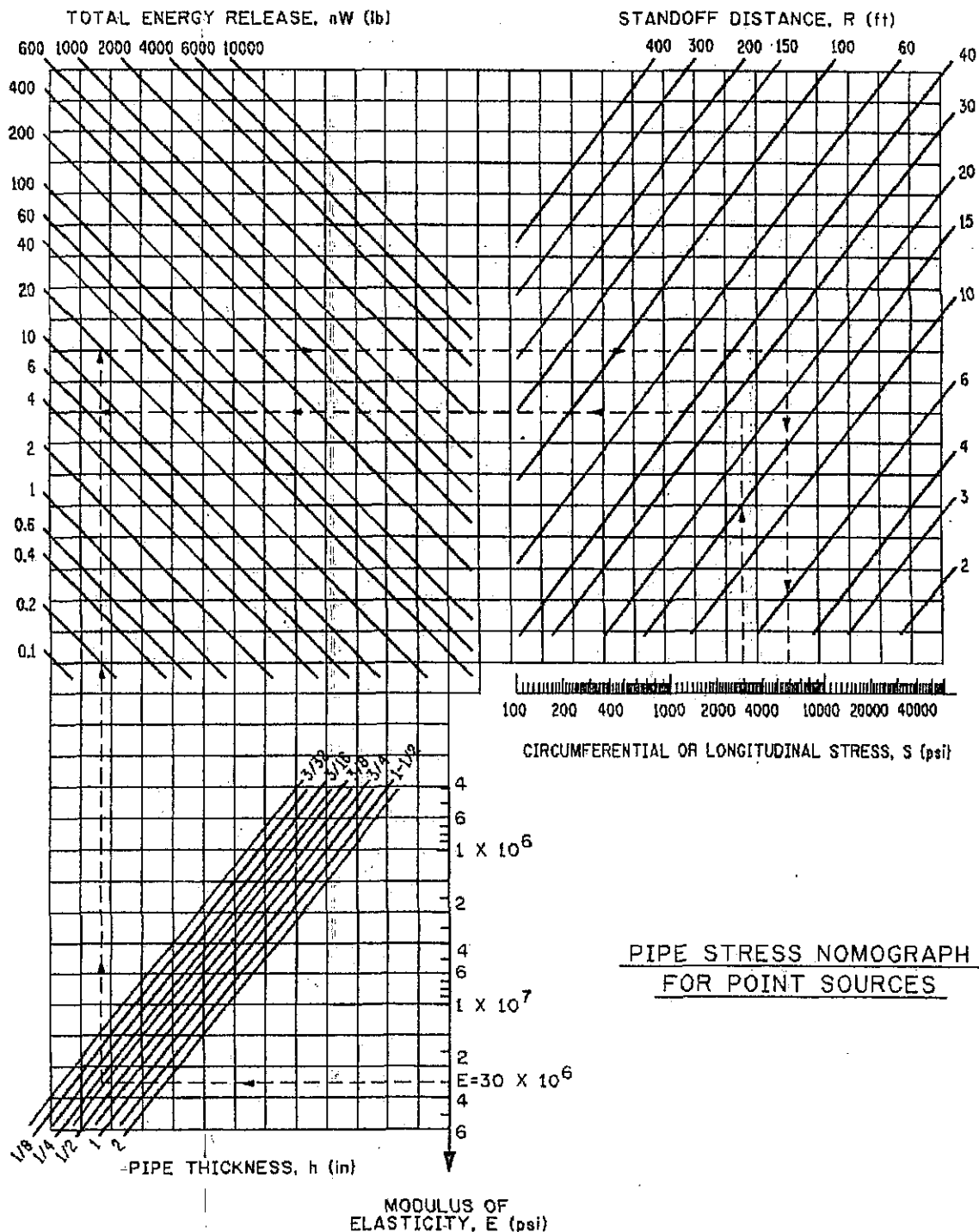


$$R = R_{gcl} = A + \frac{(N_1 - 1) L_1 \sin B + (N_2 - 1) L_2 \cos B}{2}$$

USE POINT SOURCE NOMOGRAPH OR EQUATION



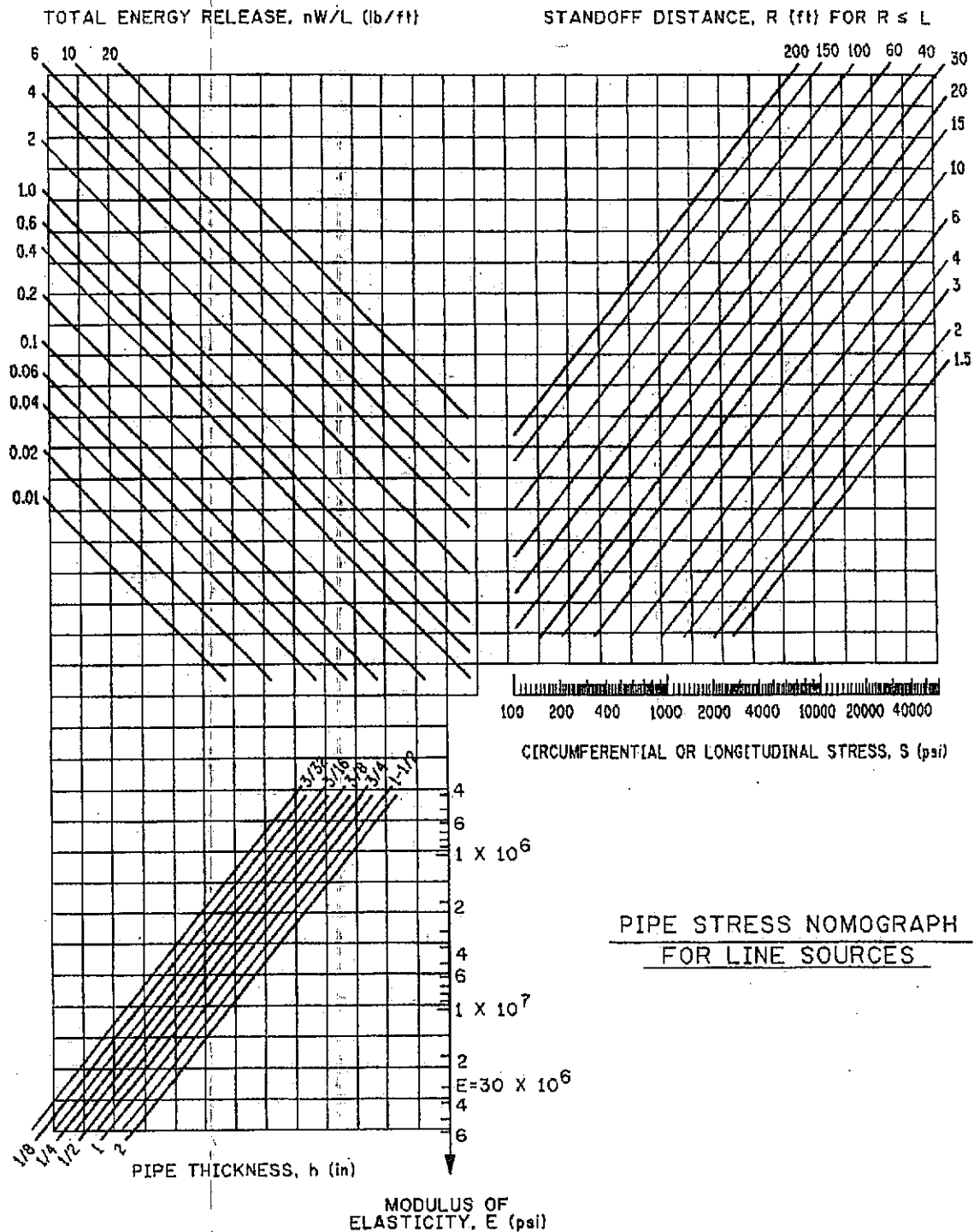
FIGURE 6



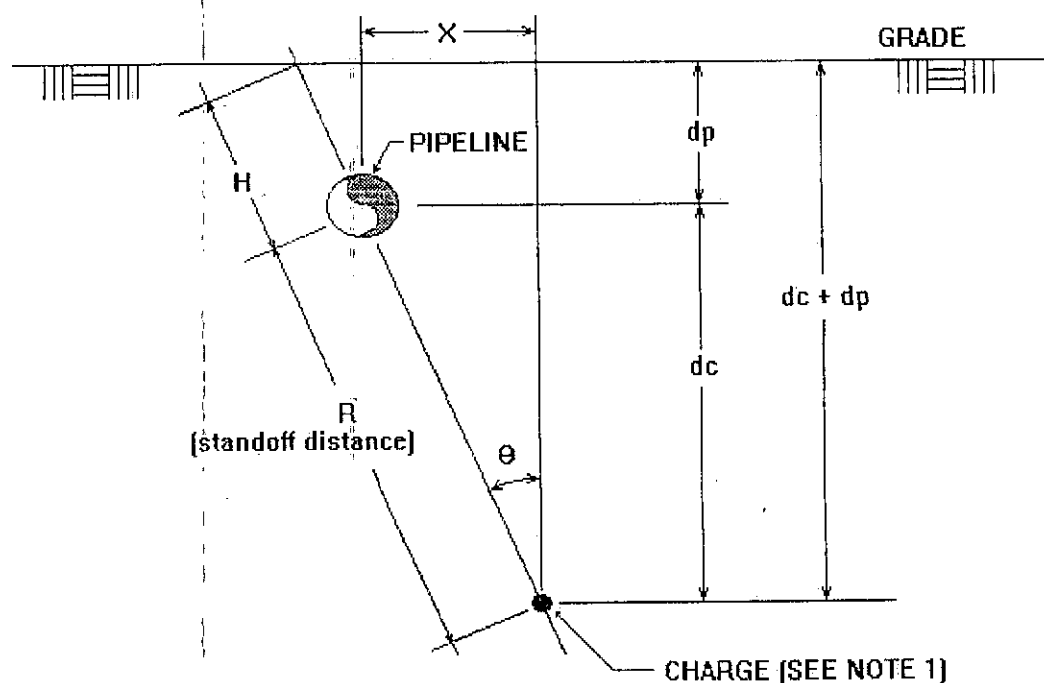
* Indicates revised paragraph, this Rev. No.



FIGURE 7



* Indicates revised paragraph, this Rev. No.


**ALLOWABLE BLASTING
NEAR BURIED PIPELINES**
FIGURE 8
**CHARGES LOCATED AT A DEPTH GREATER THAN
THE PIPELINE DEPTH AND $R/H > 4$**


$$R = (dc^2 + X^2)^{1/2}$$

$$H = dp / \cos \theta$$

$$\text{If } R/H > 4, \text{ then } F = \left[\frac{H}{R} + \frac{3.709 (h)}{R (12)} \right]$$

 WHERE: H = effective soil thickness (feet)

 R = standoff distance (feet)

 h = pipe wall thickness (inches)

 X = offset distance (feet)

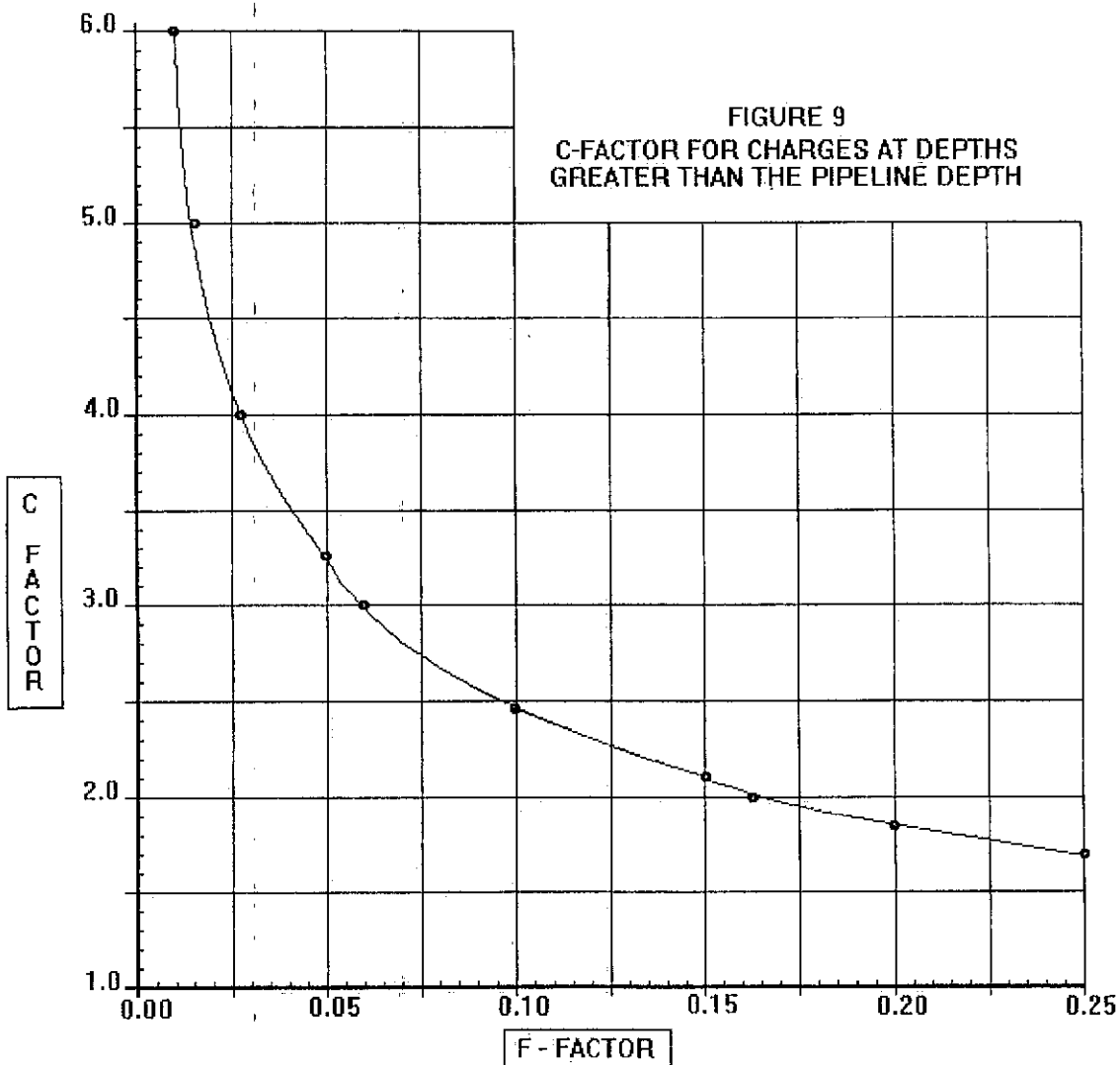
 dp = depth of pipeline

 dc = depth of charge

NOTES: 1. Charge in this sense is:

- point source or,
- line source or line source reduced to point source or,
- grid source reduced to line or point source.

 2. Use F in Figure 9 to determine C-Factor.



$$C = \left[\frac{1}{F^{1/2}} \right]^{0.77}$$

$$F = \left[\frac{H}{R} + \frac{3.709(h)}{R(12)} \right]$$

(SEE FIGURE 8)

**City of Wichita
City Council Meeting
April 12, 2011**

TO: Mayor and City Council

SUBJECT: Supplemental Design Agreement No. 4 for a Multi-Use Path along Central, Waco to 1st Street (District VI)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve Supplemental Agreement No. 4.

Background: A connection is desired between two existing multi-use paths in the Downtown area. Specifically, to connect the Mid-Town bikepath with the multi-use path recently reconstructed along the East Bank of the Arkansas River near Second Street. This four block connection will provide the opportunity for a more direct route near Second Street and the River to the bikepath just north of City Hall.

On July 1, 2008, the City Council approved funding to design a multi-use path to connect McAdams Park and Grove Park. On October 28, 2008, the City Council approved an agreement with Ruggles & Bohm to design the project. This project is eligible for funding through the Energy Efficiency and Conservation Block Grant (EECBG) administered by the Department of Energy (DOE).

Since Ruggles and Bohm had provided the design services for a similar project built with the same funding source, staff recommends utilizing this firm to expedite the project. The project needs to be bid by June 1, 2011 in order to secure the funds.

Analysis: The Department of Energy has advised that funds are available to fund an additional eligible project, but the project must be designed and bid by June 1, 2011. It is proposed that a portion of the available funds be used to extend the Mid-Town Multi-Use Path south from its current termination at Central, east of Waco, to Waco, then south to 1st Street, near the new Cargill office building. In order to meet the DOE schedule, it is proposed that a supplemental agreement with Ruggles & Bohm be approved for the project design. Ruggles & Bohm designed the Mid-Town Multi-Use Path. Supplemental Agreement No. 4 has been prepared to authorize the additional design services. The City Council previously approved three supplemental agreements needed to complete plans to accommodate changes to the McAdams Park to Grove Park path.

Financial Considerations: The fee for Supplemental Agreement No. 4 is \$16,250. Ruggles and Bohm's total fee will be \$201,073. The funding source is the approved EECBG grant. The estimated construction cost is \$120,000, could also be funded in total by the grant.

Goal Impact: This project addresses the Efficient Infrastructure goal by constructing a multi-use path for bike riders and pedestrians.

Legal Considerations: Supplemental Agreement No. 4 has been approved as to form by the Law Department.

Recommendation/Action: It is recommended that the City Council approve Supplemental Agreement No. 4 and authorize the necessary signatures.

Attachments: Supplemental Agreement No. 4.

SUPPLEMENTAL AGREEMENT NO. 4

TO THE

AGREEMENT FOR PROFESSIONAL SERVICES DATED OCTOBER 28, 2008

BETWEEN

THE CITY OF WICHITA, KANSAS

PARTY OF THE FIRST PART, HEREINAFTER CALLED THE

“CITY”

AND

RUGGLES & BOHM, P.A.

PARTY OF THE SECOND PART, HEREINAFTER CALLED THE

“ENGINEER”

WITNESSETH:

WHEREAS, there now exists a Contract (dated October 28, 2008) between the two parties covering engineering services to be provided by the ENGINEER in conjunction with the construction of improvements for a **BIKE PATH ALONG I-135 TO K-96** (Project No. 472 84740, OCA No. 706982).

WHEREAS, Paragraph IV. B. of the above referenced Contract provides that additional work be performed and additional compensation be paid on the basis of a Supplemental Agreement duly entered into by the parties, and

WHEREAS, it is desire of both parties that the ENGINEER provide additional services required for the PROJECT and receive additional compensation (as revised herein):

NOW THEREFORE, the parties hereto mutually agree as follows:

A. PROJECT DESCRIPTION

The description of the improvements that the CITY intends to construct and thereafter called the “PROJECT” as stated on page 1 of the above referenced agreement is hereby amended to include the following:

Cargil Bike Path Extension
(OCA #991393)

B. PAYMENT PROVISIONS

The lump sum fee and the accumulated partial payment limits in Section IV. A. shall be amended as follows:

Payment to the ENGINEER for the performance of the professional services as outlined in this supplemental agreement shall be made on the basis of the lump sum fee specified below:

1. Site Topographic Survey

\$ 6,500.00

2. Construction Documents	<u>\$ 6,750.00</u>
3. Utility Coordination	<u>\$ 1,250.00</u>
4. Erosion Control Plan	<u>\$ 750.00</u>
5. Signal Pole Relocation Plan	<u>\$ 1,000.00</u>
TOTAL	<u>\$16,250.00</u>

C. PROVISIONS OF THE ORIGINAL CONTRACT

The parties hereunto mutually agree that all provisions and requirements of the existing Contract not specifically modified by this Supplemental Agreement, shall remain in force and effect.

IN WITNESS WHEREOF, the CITY and the ENGINEER have executed this Supplemental Agreement as of this _____ day of _____, 2011.

COUNCIL

BY ACTION OF THE CITY

Carl Brewer, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Gary Rebenstorf, Director of Law

RUGGLES & BOHM, P.A.

(Name & Title)

ATTEST:

CITY OF WICHITA
City Council Meeting
April 12, 2011

TO: Mayor and City Council

SUBJECT: Approval of Offers for the Pawnee and Broadway Intersection Improvement Project (District III)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the offers.

Background: On January 4, 2011, the City Council approved the design concept and proposed project to improve the intersection of Pawnee and Broadway. The project will require the acquisition of parts of five tracts. The intersection will be reconstructed to replace the pavement, construct left turn lanes in all directions and upgrade the traffic signals.

Analysis: As required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, all tracts required for the project have been valued and just compensation established. Based on these valuations, the fair market value of the parcels to be acquired totals \$53,655. This amount will be offered to the various property owners. Any settlements in excess of the approved amounts will be presented to the City Council for final approval.

Financial Considerations: The funding source for the project is General Obligation Bonds. A budget of \$60,000 is requested. This includes \$53,655 for the acquisitions and \$6,345 for title work, closing costs and other administrative fees.

Goal Impact: The acquisition of these parcels is necessary to ensure Efficient Infrastructure by improving the traffic flow and safety at a major intersection.

Legal Considerations: All agreements are subject to review and approval as to form by the Law Department.

Recommendation/Action: It is recommended that the City Council 1) Approve the offers and; 2) Authorize the necessary signatures.

Attachments: Aerial map.



CITY OF WICHITA
City Council Meeting
April 12, 2011

TO: Mayor and City Council

SUBJECT: Approval of Offers for the Harry and Broadway Intersection Improvement Project (Districts I and III)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the offers.

Background: The City Council has approved the design concept and proposed project to improve the intersection of Harry and Broadway. The project will require the acquisition of all or part of eleven tracts. The improvements include adding left turn lanes, improving the sidewalks, improving the storm sewer system and landscaping.

Analysis: As required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, all tracts required for the project have been valued and just compensation established. Based on these valuations, the fair market value of the tracts to be acquired totals \$273,422. This amount will be offered to the various property owners. Any settlements in excess of the approved amounts will be presented to the City Council for final approval.

Financial Considerations: The funding source for the project is General Obligation Bonds. A budget of \$280,000 is requested. This includes \$273,422 for the acquisitions and \$6,578 for title work, closing costs and other administrative fees.

Goal Impact: The acquisition of these parcels is necessary to ensure Efficient Infrastructure by improving the traffic flow through a major transportation corridor.

Legal Considerations: All agreements are subject to review and approval as to form by the Law Department.

Recommendation/Action: It is recommended that the City Council 1) Approve the offers and; 2) Authorize the necessary signatures.

Attachments: Aerial map.



City of Wichita
City Council Meeting
April 12, 2011

TO: Mayor and City Council

SUBJECT: Payment for Settlement Lawsuit

INITIATED BY: Law Department

AGENDA: Consent

Recommendation: Authorize payment of \$37,500 as a full settlement of the subject lawsuit.

Background: This lawsuit arises from an arrest which occurred on July 31, 2008. It alleges that Wichita Police Department officers acted improperly and that the plaintiff incurred physical injuries as a result of his arrest.

Analysis: The plaintiff has offered to accept a lump sum payment of \$37,500.00 as full settlement of all his claims against police officers and the City of Wichita. Because of the uncertainty and risk that a judgment at trial, plus a potential award of attorney fees to plaintiff would exceed this amount, the Law Department recommends acceptance of the offer. The settlement of this claim does not constitute an admission of liability on the part of the City or the officers. Rather, it is merely a settlement to resolve a long disputed claim.

Financial Considerations: Funding for the settlement payment will come from the City's tort claims fund.

Goal Impact: Settlement of this lawsuit contributes to the City's goal of providing a Safe and Secure Community.

Legal Considerations: The Law Department recommends acceptance of the plaintiff's offer of settlement.

Recommendations/Actions: It is recommended that the Council approve this settlement.

Agenda Item No. XII-9a.

**City of Wichita
City Council Meeting
April 12, 2011**

To: Mayor and City Council

Subject: Memorandum of Understanding with the Department of Commerce

Initiated By: City Manager's Office

Agenda: Consent

Recommendation: Approve the proposed Memorandum of Understanding.

Background: The City of Wichita has space available on the first floor of City Hall adjacent to the Express Office (northeast corner of the building). The Kansas Department of Commerce has requested to use this space to provide services to area residents. The office would also be made available for other State departments to conduct informational meetings.

Analysis: The City of Wichita has the opportunity to provide expanded services to area residents. Making office space available in City Hall affords an opportunity to better communicate State of Kansas services. The Department of Commerce will be the primary State agency utilizing this space, however, other State agencies may utilize as necessary. Citizens often have questions regarding State programs and services and this location will provide convenient access for citizens seeking information.

Financial Consideration: This arrangement will have limited financial impact on the City. There is no revenue to flow from this Memorandum of Understanding, and the only additional operating expense to accommodate this usage is created by the agreement to install any necessary cable service connections to allow internet connectivity. The State agency will be responsible for monthly charges incurred thereafter. Utility usage beyond what is already provided in City Hall operations will be negligible.

Goal Impact: The partnership represented by this Memorandum of Understanding of City facilities for use by the Kansas State Department of Commerce to aid in economic development efforts in the area will promote the Council goal of Economic Vitality and Affordable Living.

Legal Consideration: The Law Department drafted the Memorandum of Understanding and approved it as to form.

Recommendation/Actions: Approve the temporary tenancy for this limited area within City Hall to assist a State Agency, and authorize the necessary signatures to the Memorandum of Understanding.

Attachment: Memorandum of Understanding.

Dated: April 1, 2011

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered by and between the Kansas Department of Commerce, 1000 SW Jackson, Suite 100, Topeka, Kansas 66612 (hereinafter referred to as "Commerce") and the city of Wichita, 455 North Main Street, Wichita, Kansas 67202 (hereinafter referred to as "Wichita").

By this MOU, Commerce and Wichita agree to terms and conditions related to operation sharing and space for an employee of Commerce.

- I. PURPOSE OF THE AGREEMENT. The parties agree that Wichita will provide office space to a Commerce employee who will provide mutually beneficial economic development activities in the area. The purpose of this MOU is to set forth the details of the office sharing arrangement and partnership.
- II. TERM. The term of this MOU shall be from April 1, 2011 through March 31, 2012. The MOU shall automatically renew for up to three additional one-year terms unless terminated by either party upon 60 days written notice to the other party.
- III. OFFICE SPACE/EQUIPMENT. Wichita shall provide sufficient office space in an amount no less than 200 square feet to Commerce to house the employee. A space located on the northwest corner of the first floor of City Hall has been designated for purposes of this MOU. Wichita will provide a desk, credenza, computer table, round conference room table, desk chair, six conference room chairs, and a file cabinet.

Wichita shall use its best efforts to facilitate the set-up for parking, utilities, Internet, and cable. Commerce will be directly responsible to the various providers for any expenses associated with these services.

Commerce shall provide its employee with a computer and cell phone.

- IV. COMMERCE ACKNOWLEDGMENTS.
 - A. Commerce will keep the interior of the premises, including plumbing, closets, pipes, and fixtures belonging thereto in good repair, neat, clean, safe, and sanitary during the term of this MOU, and to observe and comply with all regulations governing said premises made by any property governing agency as to cleanliness, all without cost or expense to Wichita.
 - B. Wichita shall not be liable to Commerce or to Commerce's employees, patrons, guests, or visitors in or upon the premises for any damage to person or property caused or claimed to have been caused by the negligence of Commerce, Commerce's agents, employees, or invitees.

- C. Wichita shall not be liable for any injury or loss to any property, or person by theft, fire, act of God, public enemy, riot, strike, or other matters beyond its reasonable control, or for any damage or inconvenience which may arise through repair or alteration of any part of the premises, from any cause whatsoever, except Wichita's negligence.
- D. Commerce expressly recognizes that the premises are publicly owned and that Wichita desires that the premises be used in such a manner that gives the appearance of impartiality in political campaigns and on public issues; as such Commerce will not use the premises for any partisan or political activity or for any overt public activities that take a position on policy issues before Wichita and its agencies, provided that this provision shall not prevent Commerce from taking positions in newsletters, correspondence, internal meetings, etc. that otherwise are in accordance with the purposes of the organization
- E. Commerce will conduct its business, and control its agents, employees, and invitees in such a manner as not to create any nuisance, or interfere with, annoy or disturb other occupants, guests, or Wichita in the management of the building.
- V. RENT. There shall be no rent or other incurred cost to Commerce for the office space provided by Wichita. Consideration for this MOU is the mutual benefit to Commerce and Wichita of a partnership between the parties to advance the mutual goals and objectives of economic development activities in the area.
- VI. INDEPENDENT CONTRACTOR. Both parties hereto, in the performance of this MOU, will be acting in their individual capacity and not as agents, employees, partners in a joint venture, or as associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- VII. NOTICES. Commerce or Wichita may terminate this MOU, whenever, for any reason, either party determines that the termination is in the best interest of the parties. In the event either of the parties elect to terminate this MOU pursuant to this provision, the terminating party shall provide the other party written notice at least sixty (60) days before the termination date. This termination shall be effective as of the date specified in the notice.
 - A. Notices to Commerce shall be addressed as follows:

Kansas Department of Commerce
Attn: Pat George, Secretary
1000 SW Jackson, Suite 100
Topeka, Kansas 66612-1354

B. Notices to Wichita shall be address as follows:

Office of Property Management
Attn: John C. Philbrick
City Hall – 13th Floor
455 North Main Street
Wichita, Kansas 67202

IN WITNESS WHEREOF, the parties have hereunto set their hand.

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson, Suite 100
Topeka, Kansas 66612-1354
Phone: (785) 296-1913

Pat George, Secretary

Date: _____

CITY OF WICHITA

City Hall, 1st Floor
455 North Main Street
Wichita, Kansas 67202
Phone: (316) 268-4331

Carl Brewer, Mayor

Date: _____

Attest:

Karen Sublett, City Clerk

Approved as to form:

Gary E. Rebenstorf, Director of Law

Second Reading Ordinances for April 12, 2011 (first read on April 5, 2011)

Public Hearings and Issuance of Industrial Revenue Bonds, Greater Wichita YMCA.

ORDINANCE NO. 48-981

An ordinance authorizing the city of Wichita, Kansas, to issue its revenue bonds, Series I, 2011 (Greater Wichita YMCA Project), in the aggregate principal amount not to exceed \$23,000,000 for the purpose of constructing, acquiring and equipping a recreational, community enrichment and youth development facility; and authorizing the execution of certain documents in connection with the issuance of the bonds.

Kansas Fiber Network Franchise.

ORDINANCE NO. 48-982

An ordinance of the city of Wichita, Kansas, granting to Kansas Fiber Network, L.L.C., a Kansas Limited Liability Company, a telecommunications local exchange service provider, a contract franchise for the providing of local exchange service in the city of Wichita; prescribing the terms of said grant and other conditions relating thereto.

Change to the Order of Council Business at Regular Meetings.

ORDINANCE NO. 48-983

An ordinance of the City of Wichita pertaining to a change to the rules of procedure of the City Council; amending Section 2.04.190 of the city code; and repealing the original of said section.

Change to the Approval of Proclamations at City Council Meetings.

ORDINANCE NO. 48-984

An ordinance of the City of Wichita pertaining to changes to the rules of procedure of the City Council; amending Section 2.04.390 of the City Code; and repealing the original of said section.

DER2010-16: Wireless Communication Master Plan Update.

ORDINANCE NO. 48-985

An ordinance adopting the Wireless Communication Master Plan – March 2011 update as an amendment to the Wichita-Sedgwick County Comprehensive Plan.

SUB2010-00057 -- Plat of Stoney Pointe Addition located on the south side of 29th Street North, east of Greenwich Road. (District II)

ORDINANCE NO. 48-986

An ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended.

Leading Technology Composites, Inc.

ORDINANCE NO. 48-987

An ordinance of the City of Wichita, Kansas, amending operative Section 2 of Ordinance No. 48-838, and repealing the prior versions of such section.